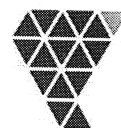
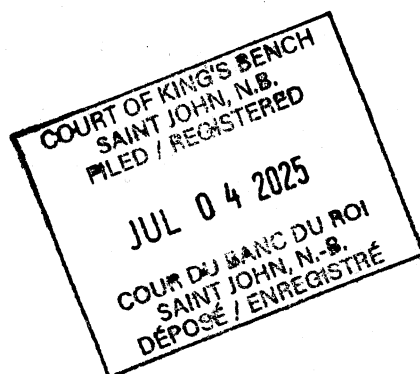


2025



POWELL
MARITIME TRUSTEE

Court File No.: SJM-31-2025

OSB Estate No. 51-126532

In the Court of King's Bench of New Brunswick
In Bankruptcy and Insolvency

Between:

CITY HOTELS NB LTD.

Applicant

and

686949 N.B. LTD.

Respondent

Second Report of the Receiver

Powell Associates Ltd.

July 3, 2025

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III. BACKGROUND AND APPOINTMENT

1. This is the Receiver's second report to the Court with respect to the Receivership (the "**Second Report**").
2. Pursuant to a Notice of Application (the "**Application**") filed February 19, 2025, City Hotels NB Ltd. (the "**Applicant**") sought the appointment of a receiver.
3. At a hearing held on February 21, 2025 (the "**Appointment Hearing**"), after hearing the parties, the Court of King's Bench of New Brunswick (the "**Court**") appointed Powell Associates Ltd. as receiver (the "**Receiver**") pursuant to an order dated February 21, 2025 (the "**Receivership Order**") in respect of all of the assets of 686949 N.B. Ltd. (the "**Respondent**"). A copy of the Receivership Order is enclosed herewith as **Exhibit "A"**.
4. At a further hearing held on April 16, 2025 (the "**SISP Hearing**"), after hearing the parties and reading the First Report of the Receiver dated April 2, 2025 (the "**First Report**"), the Court granted a SISP Approval Order (the "**SISP Approval Order**") authorizing and approving the Receiver to proceed with the sale and investment solicitation process (the "**SISP**") as outlined in the First Report. Copies of the First Report and SISP Approval Order are enclosed herewith as **Exhibits "B" and "C"**, respectively.
5. All capitalized terms that are not herein described are as they were defined in the First Report.

IV. PURPOSE OF THIS REPORT

6. The purpose of the Second Report is to provide information to the Court with respect to:
 - a. The Receiver's activities since the granting of the SISP Approval Order and an update on the Receiver's borrowings, professional fees, as well as an Interim Statement of Receipts and Disbursements;
 - b. An update on the SISP, including the Receiver's request for an order from the Court (the "**Sales Approval & Vesting and Interim Distribution Order**") approving:
 - i. the sale of the real property and contents located at 919 Canada Road, Edmundston, NB identified as PID 35257328, as more particularly described in the Agreement of

Purchase and Sale that the Receiver required prospective purchasers to utilize to submit their offers (the “**Receiver’s Template APS**”), a copy of which is enclosed herewith as **Exhibit “D”** (collectively the “**Property**”);

- ii. an interim distribution to specified priority and secured creditors; and
 - iii. the fees of the Receiver and its counsel, the Receiver’s activities from the date of its appointment to the date of this Second Report, as well as the receipts and disbursements of the Receivership as contained in the First Report as well as this Second Report.
- c. The Receiver’s request for an order from the Court (the “**Sealing Order**”) sealing a confidential supplement to this Second Report (the “**Confidential Supplement**”) until such time that the Receiver has closed the sale that is proposed in this report. The Confidential Supplement discusses, among other things, aspects of the proposed sale, asset valuations, bid amounts, sale price, and deposits; and
 - d. The Receiver’s request for an order from the Court (the “**Claims Process Order**”) approving a proposed claims process to determine remaining claims;

V. DESCRIPTION OF THE RECEIVER’S ACTIVITIES

- 7. Since the granting of the SISP Order, the Receiver’s activities have included, without limitation, the following:
 - a. Continuing administrative activities such as assisting former employees advance their claims under the Wage Earner Protection Program Act (“**WEPP**”),
 - b. Continuing to maintain, secure, and insure the assets of the Respondent,
 - c. Implementing the SISP as further outlined below,
 - d. Receiving separate appraisals for the Property,

- e. Continuing attempts to obtain books and records from Mr. James Youm who is thought, based on information provided by other creditors and the former manager of the Property, to have controlled the accounting and finances of the Respondent,
- f. Investigating a purported loan and unregistered mortgage in favour of JYSK Holdings Inc. This is discussed in further detail below,
- g. Finalizing investigation into Meridian One Cap's PPSA registrations against a water tank and boilers and, after consultation with the secured creditor and Counsel, determining that the collateral described in the PPSA registrations was not in the possession of the Respondent,
- h. Discussions with Canada Revenue Agency ("CRA") with a view to determining what property claim(s) CRA has with respect to Harmonized Sales Tax ("HST") and Payroll Source Deductions. This is discussed in further detail below,
- i. Requesting, receiving, and reviewing bank statements for the twelve months leading up to the date of the Receivership for the purpose of, among other things, identifying creditors and/or investigating preferences or transfers at undervalue,
- j. Discussing matters with legal counsel as they arise,
- k. Maintaining the Receiver's website, and
- l. Drafting and filing this Second Report.

VI. SALES AND INVESTMENT SOLICITATION PROCESS ("SISP")

- 8. In accordance with the SISP Approval Order, the Receiver engaged Colliers and conducted a rigorous sales process.
- 9. To protect sensitive information relating to the proposed transaction of the sale of the Property to the Purchaser as outlined below (the "Sale"), the Receiver has provided the court with a Confidential Supplement to be considered by the Court in parallel to this Second Report.

10. The Receiver is requesting a Sealing Order regarding the Confidential Supplement until such time that the Receiver closes the Sale, or upon further order of this Court if the Sale does not close. A copy of the proposed Sealing Order was filed with the Receiver's motion materials.
11. The intent of the Sealing Order is to maintain confidentiality regarding the offers and appraised values until such time as the Receiver can complete a sale of the Property. The Receiver is of the view that there is risk that public disclosure of this information could negatively impact realization if the transaction contemplated by the Purchaser (defined below) does not close and the Receiver is required to re-market the Property.
12. An appraisal of real estate was completed on April 10, 2025 by de Stecher Appraisals Ltd. A copy of the real estate appraisal is enclosed in the Confidential Supplement.
13. An appraisal of the contents of the hotel was completed on April 14, 2025 by Cameron Industrial Inc. A copy of the contents appraisal is enclosed in the Confidential Supplement.
14. After reviewing seven offers received and considering the amounts offered, conditions, and other modifications to the Receiver's Template APS, the Receiver accepted an offer from HC Hospitality Inc. (the "**Purchaser**") for an amount disclosed in the Confidential Supplement (the "**Sale Price**"). The Purchaser's initial offer made no changes to the Receiver's Template APS and demonstrated that it possesses the resources necessary to close the sale quickly and without the need for financing. Acceptance of the Purchaser's offer was made subject to the Court approval herein requested.
15. A copy of the executed and binding agreement of purchase and sale with the Purchaser (the "**APS**") is enclosed in the Confidential Supplement.
16. The Confidential Supplement further provides an overview of appraisals, marketing efforts, and other offers received.
17. The Receiver has returned all deposits to the remaining six bidders.
18. Based on the foregoing and the information provided in the Confidential Supplement, the Receiver is of the opinion that:
 - a. The terms outlined in the SISP Approval Order were followed by the Receiver and Colliers;

- b. The marketing activities were robust and exposed the Property for a reasonable period across multiple market segments and geographies and to potential bidders who may have wished to purchase the Property for more than one purpose;
 - c. The Sale Price maximizes realizations to the Respondent's creditors and possibly shareholders;
 - d. The Purchaser is an experienced hotel operator with a national portfolio of hotels under their current ownership and/or management;
 - e. The Purchaser has put forth an offer that is commercially reasonable, contains no conditions other than Court approval, and should be accepted; and
 - f. The Receiver does not believe that further marketing efforts would generate a better result.
19. Accordingly, the Receiver recommends completing the Sale to the Purchaser for the Sale Price. A copy of the proposed Sales Approval & Vesting and Interim Distribution Order approving the sale and vesting the Property with the Purchaser was filed with the Receiver's motion materials.

VII.DETAILS OF THE SECURED CLAIMS AND PROPOSED INTERIM DISTRIBUTION OF SALES PROCEEDS

20. The Receiver has identified numerous secured, property and priority claims that have an interest in the Property and the proceeds from its sale. The claims and potential claims are detailed and discussed in the following paragraphs.
21. The Receiver had Counsel review documentation provided by counsel for the Applicant and The Toronto-Dominion Bank ("TD") holding security against the Property and to provide a legal opinion on the validity and enforceability of those respective secured claims. A copy of Counsel's legal opinion is enclosed herewith as **Exhibit "E"**.
22. There are no secured claims under WEPP. Employee claims have been administered by the Receiver under WEPP. All claims filed were for pay-in-lieu-of-notice and therefore will not form a secured charge against the assets of the Respondent pursuant to section 81.4 of the BIA. However, the Crown, who paid out WEPP claims and who now stands as subrogate, will be allowed to file an unsecured claim.

23. The Respondent had no defined benefit nor defined contribution pension plan for its employees. As such, there is no claim under section 81.6 of the BIA,.
24. To the Receiver's knowledge, there are no environmental issues that may give rise to claims for environmental remediation or damage. As such, there appears to be no claim that may rank under section 14.06(7) of the BIA.
25. The Receiver's Administrative Charge, granted in the Receivership Order, ranks in priority to all secured, property and trust claims except those described in section 81.4, 81.6 and 14.06(7) of the BIA. The total fees and disbursements, inclusive of HST, of the Receiver and the Receiver's counsel to June 30, 2025, is \$115,109.13. The Receiver's Administrative Charge is capped at \$150,000 in the Receivership Order. The Receiver is concerned that the \$150,000 may not be sufficient, especially if there are complex issues to deal with in the Claims Process. As such, the Receiver is requesting an increase of the cap on the Receiver's Administrative Charge from \$150,000 to \$200,000.
26. The Receiver's Indemnity Charge, granted in the Receivership Order, ranks in second place behind the Receiver's Administrative Charge. Substantially all of the Receiver's obligation secured by this charge have been paid with funding from the Receiver's Certificates. The Receiver believes that there will be more than sufficient funds from the realization of the Respondent's property to ensure that all of the Receiver's obligations secured by the Receiver's Indemnity Charge will be fully paid.
27. The Receiver's Borrowing Charge, granted in the Receivership Order, ranks in third place behind the Receiver's Administrative Charge and the Receiver's Indemnity Charge. Borrowing under Receiver's Certificates totals \$105,946.82 as at June 17, 2025 with per diem interest of \$23.22. Copies of all Receiver's Certificates as well as a calculation of interest payable thereon are enclosed herewith together as **Exhibit "F"**.
28. The City of Edmundston is owed \$18,373.23 as of June 13, 2025 relating to power, water & sewerage charges. This claim is secured by the real property pursuant to the New Brunswick Municipalities Act. A copy of correspondence from the City of Edmundston is enclosed herewith as **Exhibit "G"**. The Receiver recommends that this claim be fully paid on closing of the Sale.
29. The Province of New Brunswick is owed \$130,723.62 as of June 13, 2025 in connection with real property taxes for the current year and prior years. A copy of a property tax certificate is enclosed

herewith as **Exhibit “H”**. The Receiver recommends that this claim be fully paid on closing of the Sale, for which an adjustment will be made on the Sale in accordance with the APS.

30. CRA has a claim for unremitted payroll source deductions. The total claim relating to payroll source deductions (the **“Payroll Claim”**) is \$25,990.99; \$19,382.39 of which forms a property claim or deemed trust (the **“Payroll Property Claim”**) and the remainder is an unsecured claim. A copy of correspondence from CRA relating to the Payroll Claim is enclosed herewith as **Exhibit “I”**.

- a. The Payroll Property Claim would rank in priority to all secured claims except prescribed security interests, as defined in Regulation 2201 of the *Income Tax Act*, and the claims described above.
- b. City Hotels NB Ltd., as mortgagee, may have a prescribed security interest. However, assuming the Sale closes, there will be sufficient funds to fully pay the secured claim of City Hotels NB Ltd. as well as the Payroll Property Claim and HST Property Claim defined in paragraph 31.e below. As such, there is no need to further investigate the amount of the prescribed security interest of City Hotels NB Ltd., if any.
- c. The Receiver recommends that the Payroll Property Claim be fully paid by the Receiver after closing of the Sale.

31. CRA has a claim for unremitted HST. This claim has not yet been finalized by CRA.

- a. At the time of the Receiver’s appointment, an HST return for the period April 1, 2024 to February 21, 2025 needed to be filed. Based on telephone conversations with CRA, the Receiver understands that no HST is payable for reporting periods prior to April 1, 2024.
- b. Despite the Receiver making repeated requests, no accounting books and records were received from Mr. Youm for the Receiver to verify the filing of prior returns nor provide the information to file the outstanding return. The Receiver has had numerous discussions with CRA regarding the outstanding return and lack of accounting information for the Respondent.
- c. Enclosed herewith as **Exhibit “J”** is correspondence from Mr. Edwin Ehrhardt, Mr. Youm’s counsel, dated April 9, 2025 explaining that he had reminded his client of his obligations to provide the Receiver with books and records.

- d. Notwithstanding the lack of accounting records, the Receiver nonetheless filed an HST return for the outstanding period of April 1, 2024 to February 21, 2025 (the “**Estimated Return**”) using estimates taken from hotel occupancy reports to calculate HST collected. The Receiver was further able to estimate input tax credits using information received from the Respondent’s three largest known suppliers. A copy of the Estimated Return and supporting information is enclosed herewith as **Exhibit “K”**.
 - e. Based on the Estimated Return, the Receiver estimates CRA’s total property claim for HST (the “**HST Property Claim**”) to be \$198,471.24. CRA may also assess penalties and interest in regards to the Estimated Return. However, these additional amounts would not constitute a property claim and would be an unsecured claim (the “**HST Unsecured Claim**”).
 - f. The Receiver is informed verbally by CRA that they are working toward assessing the Estimated Return and will provide documentation in due course with regards to the HST Property Claim and the HST Unsecured Claim.
 - g. The Receiver recommends no payments to CRA on account of the HST Property Claim at this time. The funds retained by the Receiver, after payments recommended in this report, are expected to be more than sufficient to pay the HST Property Claim once that amount has been determined.
 - h. The HST Property Claim would have equal ranking with the Payroll Property Claim. Similarly, City Hotels NB Ltd., as mortgagee, may have a prescribed security interest. However, assuming the Sale closes, there will be sufficient funds to fully pay the secured claim of City Hotels NB Ltd. as well as the Payroll Property Claim and HST Property claim. As such, there is no need to further investigate the amount of the prescribed security interest of City Hotels NB Ltd., if any
32. Creditors whose claims are payable upon closing of the Sale are as follows:
- a. Colliers’ commissions of 2.50% of the Sale Price plus HST. A calculation of Collier’s Commissions is indicated in the Confidential Supplement.
33. Priority ranking creditors pursuant to the Receivership Order are as follows:

- a. Receiver's Certificates totaling \$105,946.82 as at June 17, 2025 with per diem interest of \$23.22.
 - b. Trustee's fees (\$56,090.22) and Counsel's fees (\$8,789.57) as described later in this Second Report;
34. Known Secured Creditors whose security can be valued at this time are as follows:
- a. City Hotels NB Ltd.'s first ranking mortgage in the amount of \$1,017,541.98 as at May 31, 2025 with per diem interest of \$213.45. A copy of a payout provided by the Applicant is enclosed herewith as **Exhibit "L"**.
35. Secured Creditors whose security cannot be valued at this time are as follows:

TD

- a. TD's HASCAP loan, secured with a General Security Agreement and first ranking interest against all present and after-acquired personal property of the Respondent, in the amount of \$445,333.77 as at June 18, 2025 with per diem interest of \$47.60. A copy of a payout provided by the Applicant is enclosed herewith as **Exhibit "M"**.
- b. TD is not asserting a secured claim for its CEBA loan.
- c. While it may be possible at this time to allocate a portion of the Sale Price to Respondent's personal property in respect of which the TD has the only registered security interest under the PPSA, the potential claim of JYSK Holdings Ltd. as described below is not determinable at this time, so the Receiver is not presently in a position to recommend a distribution to TD.

JYSK Holdings Ltd.

- a. The Receiver requested from counsel to JYSK Holdings Ltd. ("**JYSK**") and was provided with a copy of a Notice of Action dated December 17, 2024 (the "**JYSK Action**") in respect of which a Certificate of Pending Litigation was filed on January 10, 2025 as number 45704229 (the "**Lis Pendens**"). In the JYSK Action, JYSK claims to be owed \$1,000,000 plus interest secured by an unregistered mortgage on the land, building and chattels of the hotel property identified as Parcel Identifier 35257328. Counsel for JYSK also provided the Receiver with copies a loan agreement (the "**JYSK Loan Agreement**")

and corresponding mortgage (the “**JYSK Mortgage**”) described in the JYSK Action. The JYSK Loan Agreement and JYSK Mortgage were signed solely by Mr. Youm, on February 26, 2016, on behalf of both JYSK and the Respondent, and the Loan Agreement describes the loan as being for fair consideration of the assignment to the Respondent of the contract to purchase the hotel property in 2016. A copy of the JYSK Action and Lis Pendens, the JYSK Loan Agreement, and the JYSK Mortgage (collectively the “**JYSK Claim**”) are attached as **Exhibits “N”, “O”, and “P”**.

- b. It is the Receiver’s understanding that JYSK is a shareholder of the Respondent, and is controlled directly or indirectly by Mr. James Youm, who was until recently a listed director of the Respondent.
- c. The Receiver spoke to Mr. Steve Sparkes, director of the Applicant and Leo Chung, manager of the Respondent’s hotel business, and also the son of a director and shareholder of the Respondent, and also communicated with Mr. Romain Viel, counsel for the Respondent regarding the JYSK Claim. None of those parties understood that the JYSK Claim is a valid claim. Mr. Viel further informed the Receiver that the Respondent may not have been served with the JYSK Action prior to the Receivership and that no Statement of Defense was made or filed in respect of the JYSK Action.
- d. The Receiver is not aware of the total amount claimed by JYSK and does not have sufficient information to determine whether there is a valid claim or whether the claim is secured or not. The JYSK Claim will be dealt with in the Claims Process discussed later in this report.
- e. The materials show that the JYSK Action relates to an action for an amount of money which can be dealt with in the claims process, and it does not raise an issue as to the title of PID 35257328. Accordingly, the Receiver is requesting in the Sales Approval & Vesting and Interim Distribution Order that the Lis Pendens be removed from title to PID 35257328.

No Distribution to HST, TD, or JYSK at this time

- a. Without having sufficient information to properly value the JYSK Claim, it cannot be determined at this time how the security of TD Bank, JYSK, and the HST Property claims

discussed above would attach to or be marshalled against the Surplus Proceeds, as defined below.

- b. Accordingly, it is the Receiver's view that these claims should not be paid at this time but instead would be valued and paid in accordance with the Claims Process discussed later in this Second Report.

Proposed Interim Distribution

36. The Receiver is seeking approval of payment of the following and for the amounts discussed above (with minor adjustments made for interest, where applicable) on closing of the Sale:

- a. Colliers' commissions, calculated as 2.5% plus HST of the Sale Price,
- b. City of Edmundston for water & sewage and electricity arrears; and
- c. Property Taxes owing to the Province of New Brunswick.

37. The Receiver is next seeking approval on closing of the Sale of payment of the following and for the amounts discussed elsewhere in this Report (with minor adjustments made for interest, where applicable):

- a. Trustee's fees and Counsel's fees as described elsewhere in this Second Report; and
- b. Receiver's Certificates.

38. The Receiver is next seeking approval on closing of the Sale of payment of the following and for the amounts discussed above (with minor adjustments made for interest, where applicable):

- c. CRA's Payroll Property Claim; and
- d. City Hotels NB Ltd.'s first ranking mortgage.

39. Based on the Sale Price and the appraisals provided in the Confidential Supplement, it appears to the Receiver that the Applicant's mortgage would be paid in full regardless of the amount or validity of the JYSK Claim, the HST Property Claim, or the TD claim. A table outlining the Receiver's estimate of funds remaining after the above-described distributions are made (the "**Surplus Proceeds**") can be found in the Confidential Supplement.

VIII. PROPOSED CLAIMS PROCESS FOR REMAINING CLAIMS

40. The Receiver is recommending that Surplus Proceeds be held by the Receiver pending resolution of the Claims Process described below which it hopes will deal with all remaining property claims, secured claims (and the priorities and marshaling thereof), unsecured claims, or equity claims; in that order and as the case may be.
41. The Receiver still continues to receive no information from Mr. James Youm with respect to the books and records of the Respondent. As such, determining which parties' claims against the Respondent has been and will continue to be difficult. Enclosed herewith as **Exhibit "Q"** is an email dated June 18, 2025 to Mr. Youm's lawyer, Mr. Edwin Ehrhardt, again requesting books and records in order to facilitate identifying creditors.
42. It is the understanding of the Receiver that the Respondent had been meeting its obligations as they generally came due until such time that Mr. Youm issued a \$150,000 payment to JYSK on November 13, 2024. This suggests that the list of creditors is not expected to be extensive.
43. Notwithstanding the lack of books and records, the Receiver has had discussions with Mr. Leo Chung, the former Manager of the hotel business, and reviewed bank statements for the 12 months leading up to the Receivership to identify creditors. Then, by including the typical creditors commonly encountered in receivership proceedings—such as utilities, WorkSafe NB, and others—the Receiver has endeavoured to compile what it believes to be a reasonably comprehensive list of known or suspected creditors. However, the completeness of this list cannot be guaranteed.
44. In light of the foregoing, the Receiver is seeking approval for a claims process (the **"Claims Process"**) as follows:

Notice and Communication

- a. Within two weeks of determining the Surplus Proceeds (the **"Start Date"**), the Receiver will:
 - i. Send a Claims Package to all known or suspected remaining creditors and equity holders of the Respondent,
 - ii. Post the Claims Package on its website,

- iii. Advertise the process once in the Telegraph Journal newspaper, and
 - iv. Run banner ads for 5 consecutive business days on *allnewbrunswick.ca* and *allnovascotia.ca*.
- b. The Claims Package will explain that the Surplus Proceeds are held in trust, outline the process and important dates, and include a proof of claim form,
- c. A template of the proposed Claims Package is enclosed as **Exhibit “R”**.

Claims Bar Date

- d. Creditors will have four weeks from the Start Date (the “**Claims Bar Date**”) to file a proof of claim with the Receiver.
- e. Any creditor failing to file a claim by the Claims Bar Date will be barred and estopped from asserting any claim and will not share in the distribution.

Review and Dispute Process

- f. Claims that are accepted by the Receiver will become a proven claim (a “**Proven Claim**”).
- g. If the Receiver determines that a claim is disallowed or revised it will issue a notice of revision or disallowance (“**Notice of Revision or Disallowance**”).
- h. A template of the proposed Notice of Revision or Disallowance is enclosed as **Exhibit “S”**.
- i. Claimants subject to a Notice of Revision or Disallowance will have fourteen (14) days from receipt of same to dispute the revision or disallowance by filing a Notice of Dispute (“**Notice of Dispute**”).
- j. A template of the proposed Notice of Dispute is enclosed as **Exhibit “T”**.
- k. If no Notice of Dispute is filed with the Receiver before the corresponding deadline, the Receiver’s determination becomes final.
- l. If a dispute is filed, it may be resolved by consent or by the Claimant applying for a motion before the Court within thirty (30) days. Failure by the Claimant to apply for a motion by

that time deems the determination final. Court hearings on such matters are appeals, not hearings *de novo*.

Application for direction on distribution of Surplus Proceeds

m. Eight weeks after the Start Date, the Receiver will apply to the Court for:

- i. Approval of a proposed distribution of the Surplus Proceeds to those found to be holding valid property claims, secured claims, unsecured claims, and equity claims; and/or
- ii. Direction from the Court regarding unresolved claims, if any.

45. A table outlining the Receiver's best estimate of known or suspected unsecured claims is included in the Estimated Final Statement of Receipts and Disbursements found in the Confidential Supplement.

46. The proposed Claims Process Order was filed with the Receiver's motion materials.

IX. INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS AND ANTICIPATED PROFESSIONAL FEES AND DISBURSEMENTS

47. Enclosed herewith as **Exhibit "U"** is a partially redacted interim statement of receipts and disbursements ("**Interim SRD**") summarizing all transactions to June 30, 2025. The purpose of the redaction is to avoid disclosing the amount of the 10% deposit paid toward the Sale Price. An unredacted version of the Interim SRD is included in the Confidential Supplement.

48. The Receiver has received three advances, from parties that are all related to the Applicant, totaling \$104,168.21 pursuant to Receiver's Certificates.

49. The Receiver has received a number of deposits relating to the SISP. All but one deposit has been returned to potential bidders. The one remaining deposit will form payment toward closing the proposed Sale discussed elsewhere in this Second Report.

50. Following the First Report and with the approval of the Court at the SISP Hearing, the Receiver paid itself professional fees amounting to \$41,260.98 (incl. HST).

51. Following the First Report, the Receiver paid Counsel professional fees amounting to \$8,968.36 (incl. HST), subject to Court Approval. The Receiver is seeking approval from the Court for payment of that invoice dated April 16, 2025 which is enclosed herewith as **Exhibit “V”**.
52. The Receiver has issued its second invoice for professional fees for \$56,090.22. A copy of that invoice is enclosed herewith as **Exhibit “W”**.
53. Counsel has submitted a second invoice dated July 2, 2025 for professional fees for \$8,789.57 (incl. HST). A copy of that invoice is enclosed herewith as **Exhibit “X”**.
54. The Receiver and Counsel to the Receiver have incurred professional fees and related disbursements amounting to \$115,109.13 to June 30, 2025.

X. OTHER MISCELLANEOUS MATTERS

Interactions with James Youm

55. The Receiver remains unsatisfied with the lack of effort made by Mr. Youm to provide the books and records of the Respondent. The Receiver has received no information whatsoever from Mr. Youm since the SISP Hearing.

The Sandhyaji Matter

56. The Sandyaji Matter was brought to a close with the Receiver, upon the advice of Counsel and there being no objection by creditors at the SISP Hearing, releasing any claim in \$50,000 held in trust by Colliers in favour of Sandyaji.

The 155 Matter

57. The 155 Matter as defined in the First Report has not been resolved by the Receiver and Counsel.
58. The factual basis of the 155 Matter is more complicated than the Sandyaji Matter. Counsel has not come to a conclusion as to whether or not the Respondent has a valid claim to the deposit at issue in the 155 Matter, and it is very possible that the matter may need to proceed to trial to be resolved.
59. Until the Receiver became aware of the JYSK Claim, it was expected that there would be sufficient funds after the Sale to payout all secured and unsecured creditors. Given the complicated nature of equity claims and disputes between shareholders, The Receiver had been of the view that it would likely recommend remaining proceeds be paid into Court for the Respondent’s shareholders

to deal with after the receivership was completed. Depending on the outcome of the Claims Process outlined above, there may still be a reasonable likelihood that the Receiver would maintain that same recommendation.

60. Therefore, the Receiver hadn't determined whether or not it would be prudent to allocate resources and costs to the continuation of the 155 Matter. The Receiver does not know at this time whether or not the JYSK Claim is valid, and, if so, the amount claimed. The Receiver believes that it will be in a better position to make this determination once the claims process is completed.

\$150,000 paid to James Youm

61. As mentioned in the First Report, other potential assets of the Respondent beyond the Property include a potential claim against Mr. James Youm relating to \$150,000 drawn from the Respondent's operating bank account by way of certified cheque on November 13, 2024. The Receiver has not received any information from Mr. James Youm explaining this payment.
62. This matter is now best dealt with in the Claims Process described above and the Receiver may be in a better position to make this determination once the claims process is completed.
63. Furthermore, in similar fashion to the 155 Matter described above, the Receiver hasn't determined at this time whether or not it would be prudent to allocate resources and costs to claiming this amount from him.

XI. CONCLUSION & RECEIVER'S RECOMMENDATIONS AND REQUESTS

64. This Second Report has been prepared for the Court with information regarding the Receiver's activities since the SISP Hearing and issuance of the SISP Order and in support of the relief requested herein.
65. The Receiver is currently seeking the Court's approval of this Second Report, including the conduct and activities described therein.
66. The Receiver is further seeking the Court's approval of the activities, professional fees, and Interim SRD as filed with the Receiver's motion materials as referenced in the proposed Sales Approval & Vesting and Interim Distribution Order.
67. As at the date of this Second Report, the Receiver is not aware of any objection to the Receiver's conduct or activities.

68. Based on the foregoing, the Receiver requests the Court grants the following orders in substantially the form as submitted:


- a. The Sealing Order;
- b. The Approval & Vesting and Interim Distribution Order; and
- c. The Claims Process Order;

DATED at Saint John New Brunswick this 3rd day of July, 2025.

POWELL ASSOCIATES LTD.

in its capacity as Court Appointed Receiver
and not in its personal capacity

Per:



Paul Moffett, MBA CIRP LIT
Vice President
D: 506.638.9131 | pmoffett@maritimetrustee.ca

EXHIBIT “A”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF 686949 N.B. LTD. carrying on business at the County of Madawaska and Province of New Brunswick;

PURSUANT TO Section 33 of The *Judicature Act*, R.S.N.B. 1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3

BETWEEN:



CITY HOTELS NB LTD., a body corporate carrying on business in the Province of New Brunswick

APPLICANT

- and -

686949 N.B. LTD., a body corporate carrying on business in the Province of New Brunswick

RESPONDENT

RECEIVERSHIP ORDER

THIS APPLICATION, made by the Applicant for an Order pursuant to Section 33 of the *Judicature Act*, R.S. N.B. 1973, Ch. J-2, (the "**Judicature Act**"), Rule 41 of the Rules of Court of New Brunswick (the "**Rules**") and Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") appointing Powell Associates Ltd. as receiver (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of the Respondent acquired for, or used in relation to a business carried on by the Respondent, was heard this day at the City of Saint John, Province of New Brunswick.

ON READING the affidavit of Stephen Sparkes sworn February 7, 2025 and the exhibits thereto and the Affidavit of Service of Janice Barrieau sworn February 19, 2025 and the Supplemental Affidavit of Service of Janice Barrieau dated February 21, 2025, and on hearing the submissions of counsel for City Hotels NB Ltd., counsel for the Respondent, 686949 NB Ltd., counsel for the Toronto-Dominion Bank and counsel for Sandhyaji Resorts Ltd., and upon the consent of Powell Associates Ltd. to act as the Receiver.

IT IS ORDERED THAT:

SERVICE

1. The time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. Pursuant to section 33 of the Judicature Act, Rule 41 of the Rules and section 243(1) of the BIA, the Receiver is hereby appointed receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Respondent, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - a. to take possession and control of the Property and any proceeds or receipts arising from the Property but, while the Receiver is in possession of any of the Property, the Receiver must preserve and protect it;

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- b. to change locks and security codes, relocate all or some of the Property to safeguard it, engage independent security personnel, take physical inventories and place insurance coverage;
- c. to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- d. to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent;
- e. to settle, extend or compromise any indebtedness owing to the Respondent;
- f. to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondent, for any purpose pursuant to this Order;
- g. to undertake environmental or workers' health and safety assessments of the Property and operations of the Respondent;
- h. to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- i. to make payment of any and all costs, expenses and other amounts that the Receiver determines, in its sole discretion, are necessary or advisable to preserve, protect or maintain the Property, including, without limitation taxes, municipal taxes, insurance premiums, repair and maintenance costs, costs or charges related to security, management fees, and any costs and disbursements incurred by any manager appointed by the Receiver;
- j. to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- k. to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- i. without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000.00; and

- ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under section 59 of the Personal Property Security Act (New Brunswick) shall not be required.

- l. to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- m. to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the

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Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- n. to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- o. to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondent;
- p. to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondent;
- q. to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have;
- r. to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. The Respondent, all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall

forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondent, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall, subject to their right to seek a variation of this order, provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall, subject to their right to seek a variation of this Order, forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate

access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

8. No Proceeding against or in respect of the Respondent or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies of any individual, firm, corporation, governmental body or agency or any other entity against the Respondent, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondent to carry on any business which the Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien and the related

filing of an action to preserve the right of a lien holder provided that the Applicant shall not be required to file a defence to same as the further prosecution of any such claim is stayed except with the written consent of the Receiver, or leave of this Court.

PERSONAL PROPERTY LESSORS

10. All rights and remedies of any Person pursuant to any arrangement or agreement to which the Respondent is a party for the lease or other rental of personal property of any nature or kind are hereby restrained except with consent of the Receiver in writing or leave of this Court. The Receiver is authorized to return any Property which is subject to a lease from a third party to such Person on such terms and conditions as the Receiver, acting reasonably, considers appropriate and upon the Receiver being satisfied as to the interest of such Person in the applicable Property. The return of any item by the Receiver to a Person is without prejudice to the rights or claims of any other Person to the property returned or to an interest therein.

NO INTERFERENCE WITH THE RECEIVER

11. Subject to Section 16 of this Order related to the Respondent's employees, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondent, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with the Respondent or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent, are hereby restrained until further

Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

13. The Receiver, in its sole discretion, may (but shall not be obligated to) establish accounts or payment on delivery arrangements with suppliers in its name on behalf of the Respondent for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent, or any of them, if the Receiver determines that the opening of such accounts is appropriate.
14. No creditor of the Respondent shall be under any obligation as a result this Order to advance or re-advance any monies or otherwise extend any credit to the Respondent.

RECEIVER TO HOLD FUNDS

15. All funds, monies, cheques, instruments, and other forms of payment received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for

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herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

16. All employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees or they resign in accordance with their employment contracts. The Receiver shall not be liable as a result of this Order for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5), 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

17. Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**") as permitted at law. Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. A prospective purchaser or bidder requesting the disclosure of personal information shall execute such documents to confirm the agreement of such Person to maintain the confidentiality of such information on terms acceptable to the Receiver. The purchaser of any Property shall be entitled to continue to use the personal information provided to it related to the Property purchased in a manner which is

in all material respects identical to the permitted prior use of such information by the Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. Nothing herein contained shall require or obligate the Receiver to occupy or to take control, care, charge, occupation, possession or management (separately and/or collectively, "**Possession**") of any of the Property or any part thereof, that may be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *Canadian Environmental Protection Act, 1999* (Canada), the *Clean Water Act* (New Brunswick), the *Clean Environment Act* (New Brunswick), the *Clean Air Act* (New Brunswick), and *Unsightly Premises Act* (New Brunswick) (collectively, the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

LIMITATION ON LIABILITY

19. Powell Associates Ltd., including, without limitation, any director, officer or employee of the Receiver, shall incur no liability or obligation as a result of its appointment as the Receiver or the carrying out the provisions of this Order, or in the case of any party acting as a director, officer or employee of the Receiver so long as acting in such capacity, save and except for any gross negligence, breach of contract or actionable misconduct on the part of such party, or in respect of the Receiver's obligations under sections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate

from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge to a maximum of \$150,000.00 (the "**Administrative Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and the Administrative Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. The Receiver and its legal counsel shall pass their respective accounts from time to time and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a Judge of the Court of Queen's Bench in New Brunswick in accordance with the Rules.

22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees, expenses and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved in accordance with the the preceding paragraph hereof.

RECEIVER'S INDEMNITY CHARGE

23. The Receiver shall be entitled to and is hereby granted a charge (the "**Receiver's Indemnity Charge**") upon all of the Property as security for all of the obligations incurred by the Receiver including obligations arising from or incident to the performance of its duties and functions under this Order [including the

management, operation and carrying on of all or part of the business of any of the Respondents], the BIA or otherwise, saving only liability arising from negligence or actionable misconduct of the Receiver.

24. The Receiver's Indemnity Charge shall form a second charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA and subordinate in priority to the Administrative Charge.

ALLOCATION OF COSTS

25. The Receiver shall file with the Court for its approval a report setting out the costs, fees, expenses and liability of the Receiver giving rise to the Administrative Charge, the Receiver's Indemnity Charge and the Receiver's Borrowings Charge (as defined below) and, unless the Court orders otherwise, all such costs, fees, expenses and liability shall be paid in the following manner:

- a. Firstly, applying the costs incurred in the receivership proceedings specifically attributable to an individual asset or group of assets against the realizations from such asset or group of assets;
- b. Secondly, applying the costs *pro rata* against all of the assets based on the net realization from such asset or group of assets; and
- c. Thirdly, applying non-specific costs incurred in the receivership proceedings *pro rata* against all of the assets based on the net realization from each asset or group of assets.

FUNDING OF THE RECEIVERSHIP

26. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not

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exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at an interest rate of 8.00 per cent (8.00%) per annum, for such period or periods of time as it may arrange, for the purpose of making payments (including interim payments) required or permitted to be made by this Order (including, without limitation, payments of amounts secured by the Administrative Charge and the Receiver's Indemnity Charge). The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **"Receiver's Borrowings Charge"**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Indemnity Charge, the Administrative Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

27. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court on seven days notice to the Receiver and the Applicant.

28. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

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

GENERAL

30. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

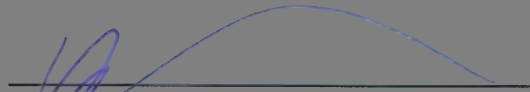
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31. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.
32. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States is hereby requested to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
33. The Receiver is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act in a representative capacity in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
34. Any interested party may apply to this Court to vary or amend this Order upon such notice required under the *Rules of the Court*, if any, or on such notice as this Court may order.
35. Any Person affected by this Order which did not receive notice in advance of the hearing of the initial application may apply to this Court to vary or amend this Order within five (5) days of such Person being served with a copy of this Order.
36. In addition to the reports to be filed by the Receiver under the BIA or *New Brunswick Business Corporations Act*, on the application to the Court of any secured creditor, the Receiver shall file a report of its activities with the Court.

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37. The Receiver shall not be discharged without notice to such secured creditors and other parties as the Court directs.

Dated at Saint John, New Brunswick, this 21st day of February, 2025.



Justice of the Court of Queen's Bench
of New Brunswick

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

- i. THIS IS TO CERTIFY that Powell Associates Ltd., the receiver (the "**Receiver**") of the assets, undertakings and properties 686949 NB Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Court of King's Bench of New Brunswick (the "**Court**") dated the ____ day of February, 2025 (the "**Order**") made in an action having Court file number SJM/____/ 2025 has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
- ii. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at an interest rate of 8 per cent (8.00%) annum.
- iii. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such

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Property in respect of its remuneration and expenses.

- iv. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____, _____.
- v. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- vi. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
- vii. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

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

Per: _____
Name: _____
Title: _____

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EXHIBIT “B”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

2025

Court File No.: SJM-31-2025

OSB Estate No. 51-126532

In the Court of King's Bench of New Brunswick
In Bankruptcy and Insolvency

Between:

CITY HOTELS NB LTD.

Applicant

And

686949 N.B. LTD.

Respondent

First Report of the Receiver

Powell Associates Ltd.

April 2, 2025

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II. LIST OF EXHIBITS

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A	Receivership Order	17
B	Engagement Letter re Agent Appointment	36
C	BIA s245 & s246 Notice of Receiver	39
D	City Hotels NB Ltd. Mortgage	43
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III. BACKGROUND AND APPOINTMENT

1. This is the first report (the “**Report**”) of the Receiver, as hereinafter defined.
2. Pursuant to a Notice of Application, (the “**Application**”), filed February 19, 2025 in the Court of King’s Bench of New Brunswick (the “**Court**”), City Hotels NB Ltd. (the “**Applicant**”) sought the appointment of a receiver in respect of certain assets of 686949 N.B. Ltd. (the “**Respondent**”).
3. The Applicant claimed to be a secured lender in respect of the Respondent. The Respondent was a corporation whose operations comprised the ownership and operation of a hotel located in Edmundston, NB.
4. At the hearing of the Application held on February 21, 2025 (the “**Hearing**”), after hearing the parties, the Court appointed Powell Associates Ltd. as receiver (the “**Receiver**”) pursuant to an order dated February 21, 2025 (the “**Receivership Order**”). A copy of the Receivership Order is attached hereto as **Exhibit “A”**.
5. The Receivership Order appointed the Receiver over all the assets, undertaking and properties of the Respondent acquired for, or used in relation to, a business carried on by the Respondent.

IV. PURPOSE OF THIS REPORT

6. The purpose of the Report is to provide the Court with:
 - a. a description of the Receiver’s activities to-date;
 - b. details of the secured claims against the assets;
 - c. a summary of the Receiver’s borrowings, professional fees to date, as well as Receipts and Disbursements;
 - d. a description of the proposed Sale and Investment Solicitation Process (“**SISP**”) and recommendations for a SISP Approval Order.

V. DESCRIPTION OF THE RECEIVER’S ACTIVITIES

7. The Receiver’s activities commenced prior to its appointment. Pre-appointment activities included:

- a. Engagement by the Applicant as agent (“Agent”) with the sole purpose of preserving the Hotel (as defined below) including, but not limited to, ensuring ongoing supply of insurance, services, and utilities that were deemed necessary to safeguard the Hotel. However, the agent was specifically directed not to take possession of the Hotel nor do any act of enforcing the Applicant’s security. A copy of the engagement letter is attached hereto as **Exhibit “B”**.
 - b. Review and commenting on affidavits and draft form of the Receivership Order.
 - c. Meetings, interactions and discussions with the Applicant and their counsel.
 - d. Attendance at the hearing held February 21, 2025.
 - e. Consideration and investigation of potential agents to assist in possession of the Hotel.
 - f. Consideration and investigation of insurance options for the Hotel.
8. The activities of the Receiver since its appointment on February 21, 2025 include:
- a. Engaging Mr. William (Bill) Kean K.C. of Brenton Kean (“**Counsel**”) as counsel to the Receiver.
 - b. Taking possession of the assets and undertakings of the Respondent (discussed in further details below in Section VI):
 - c. Investigating and placing insurance for the Hotel (further details discussed below in section VIII).
 - d. Sending notice, in accordance with the sections 245(1) & 246(1) of the *Bankruptcy and Insolvency Act*, to all known creditors.
 - i. The list of known creditors was based on the Receiver’s own investigation into the affairs of the Respondent. A request for information was made to Mr. James Youm (“**Youm**”) who is thought to control the books and records.
 - ii. No response was received from Youm until well after the notice was sent. A copy of that notice using limited information is attached hereto as **Exhibit “C”**.

- e. Commissioning separate appraisals for the real property as well as contents and equipment. At the time writing this report, appraisers had visited to the Hotel but their final reports had not yet been completed.
- f. Seeking proposals from four separate national commercial licensed real estate agencies to conduct a SISP for the Hotel. The SISP proposals are discussed later in this report.
- g. Reviewing the matter of the motion brought by Sandhyaji Resorts Inc. (“**Sandhyaji**”) against the Respondent and Colliers MacAulay Nicolls Inc. (“**Colliers**”) (the “**Sandhyaji Matter**”) (discussed in further detail below in section IX).
- h. Preliminary review of a separate deposit of \$100,000 paid in trust to Actus Law in relation to the failed sale of the Hotel to 15523257 Canada Inc. in the winter of 2024 (the “**155 Matter**”) (discussed in further detail below in section IX).
- i. Administering Wage Earner Protection Program Act (“WEPP”) claims for employees not given written notice of termination when the Hotel closed in the early days of January, 2025.
- j. Requesting copies of the books and records of the Respondent from Youm (discussed in further detail below in section X).
- k. Preparation of this Report.

VI. TAKING POSSESSION AND DESCRIPTION OF ASSETS

- 9. The only substantive asset of the Respondent is a 133-room hotel and contents located at 919 Canada Road, Edmundston, NB (the “**Hotel**”). The hotel has not been in operation since January 5, 2025 and the Receiver will not be resuming operations.
- 10. The Receiver visited and took possession of the Hotel on February 24, 2025 and engaged Leo Chung (“**Leo**”) to manage the Hotel during the Receiver’s possession of same. Leo is the son of Sunhye Chung whose affidavit was considered at the Hearing and who owns a 25% share of the Respondent by way of her holding corporation, Tokki Holdings Ltd.
- 11. Leo managed the Hotel since 2016 and resides directly adjacent to the Hotel. Notwithstanding that Leo is related to a party who is related to the Respondent, his extensive knowledge of, and proximity to, the Hotel made him the most practical candidate to manage the property for the

Receiver. None of Leo's actions to date have given the Receiver reason to believe he is not able to act in an impartial manner and follow the directions of the Receiver.

12. Arrangements were made to have Leo inspect the exterior of the Hotel daily and perform a full interior walkthrough every 72 hours. Leo is on standby for other various jobs that the Receiver may require. Costs for the foregoing were agreed to at \$20/exterior inspection, \$50/interior inspection, and \$30/hour respectively.
13. Leo has since given notice that he will be moving away from the Edmundston region. As such, the Receiver is currently looking for replacement property management.
14. The Receiver has taken no action with respect to cash on deposit with TD. Bank records indicate that the Respondent had two bank accounts with the TD Canada Trust Bank ("TD") with balances of \$262.24 and an overdraft of \$769.74. Furthermore, TD is owed approximately \$497,000 and would have a right to set-off against any positive cash balance.
15. To the Receiver's knowledge after preliminary inquiry and investigation, there are no accounts receivable.
16. Other potential assets beyond the Hotel include:
 - a. The potential recovery of a deposit of \$100,000 in connection with the 155 Matter (as defined below) as described later in this report in Section IX, and
 - b. The potential claim against Mr. James Youm relating to \$150,000 drawn from the Respondent's operating bank account by way of certified cheque on November 13, 2024.

VII. DETAILS OF THE SECURED CLAIMS AGAINST THE ASSETS

17. The Hotel is encumbered by a first ranking collateral mortgage dated February 26, 2016 in favour of the Applicant (the "**Mortgage**"). According to the affidavit of Steve Sparkes dated February 11, 2025, the balance of the loan secured by the Mortgage was \$936,827.08 on that date. Copies of the Mortgage and a Certificate of Registered Ownership ("**CRO**"), dated February 27, 2025, are attached hereto as **Exhibits "D"** and **"E"**, respectively.
18. Also disclosed on the CRO is a Lis Pendens registered by JYSK Holdings Ltd. which the Receiver understands to be fully owned by Youm. The Receiver continues to investigate this matter.

19. Attached hereto as **Exhibit “F”** is a search of the New Brunswick Personal Property Security Registry, dated March 17, 2025, against the name of the Respondent. It shows the following:

- a. A security interest over all Present & After-Acquired Personal Property in favour of TD registered on May 19, 2021. According to a demand letter dated February 11, 2025, TD is owed \$436,861.84 for a Highly Affected Sectors Credit Availability Program loan (“**HASCAP**”) and \$60,000 for a Canada Emergency Business Account loan (“**CEBA**”). The Receiver’s solicitor has requested copies of TD’s security from TD’s counsel.
- b. A security interest against two condensing boilers in favour of Meridian OneCap Credit Corp (“**Meridian**”) registered on November 26, 2024
 - i. The Receiver understands that it was the Respondent’s intention to replace the boiler system used to heat the Hotel in autumn, 2024. Financing was arranged by the Respondent with Meridian and the Receiver is advised by Leo that an advance of an unknown amount was made from Meridian to Carmichael’s Plumbing to purchase the boilers. However, the boilers were never installed and according to an email from Carmichael’s Plumbing to the Receiver the boilers remain in Carmichael’s possession.
 - ii. The Receiver continues to investigate this matter.
- c. A security interest against a water tank in favour of Meridian (“**Meridian**”) registered on May 4, 2023. Meridian has advised the Receiver by email that the lease in regards to the boilers discussed above is its only active lease that the Respondent has with Meridian and that the other contract which the PPSA registration is referring to for the water tank was ‘never booked’. The Receiver continues to investigate this matter.

20. In due course, the Receiver will request Counsel to review and opine on the validity, enforceability and ranking of the various secured claims.

VIII. INSURANCE

21. Prior to appointment, the Receiver was aware that the existing insurance policy was approaching the end of its term and was due to renew on February 22, 2025. As a result, the Receiver sought options for insurance.

22. Quotes were obtained from the existing insurer, Cooperators, as well as Firstbrook, Cassie & Anderson Ltd. (“FCA”), and JB Elliot Insurance who solicited multiple underwriters. Given the vacancy of the Hotel, insurance was difficult to obtain and limited to Actual Cash Value (“ACV”) coverage. The Receiver sought quotes for coverage of \$5,000,000 for property, \$575,000 for contents and equipment and \$2,000,000 for commercial general liability (“CGL”).
23. The amount of \$5,000,000 for property coverage was conservatively chosen based on prior failed sales attempts of the Hotel for \$4,000,000 and \$4,250,000 according to Sunhye Chung’s affidavit dated February 14, 2025. The Receiver may adjust coverage once a final appraisal of the real property is completed.
24. The amount of \$575,000 chosen for contents was roughly in agreement with the existing policy that had been in place with Cooperators. The Receiver may adjust coverage once a final appraisal of the contents and equipment is received.
25. CGL was reduced from the existing \$6,000,000 to \$2,000,000. Given the non-operating status of the Hotel, \$2,000,000 was deemed sufficient.
26. Cooperators advised that it was their opinion that \$5,000,000 coverage was insufficient based on value per square foot for the Hotel and insisted that ACV coverage be put in place for \$9,000,000 instead. Cooperators quoted \$63,955 for 12 months (\$5,329/mth) conditional on the Receiver hiring bonded security personnel to be on site 24 hours per day, 7 days per week.
27. FCA quoted \$13,366 per month for \$5,000,000 coverage or \$9,936 per month for \$4,000,000 coverage.
28. JB Elliot Insurance received quotes from both Angus Miller and Agile insurance. Elliot informed the Receiver that Angus Miller was the better of the two quotes in the amount of \$32,163 for 6 months coverage plus a \$1,560.40 service fee; an average of \$5,620.57 per month.
29. Coverage was bound with Angus Miller effective March 11, 2025. A truncated copy of the Commercial Insurance Policy and Finance Contract are attached hereto as **Exhibit “G”**.

IX. SANDHYAJI AND 155 MATTERS

The Sandhyaji Matter

30. The Sandhyaji Matter relates to \$50,000 paid by Sandhyaji Resorts Inc. to Colliers in trust as a deposit (the “Sandhyaji Deposit”) relating to the intended purchase of the Hotel in 2023. The sale was not finalized and Sandhyaji had filed a Motion with the Court of Kings Bench seeking an Order compelling Colliers to return the Sandhyaji Deposit to Sandhyaji.
31. The Sandhyaji Matter had been scheduled to be heard by the Court on April 9, 2025 but proceedings were stayed in accordance with the provisions of paragraph 8 of the Receivership Order.
32. The Sandhyaji Matter was discussed at the Hearing and it was Justice’s oral direction that the Receiver review the matter with Counsel and decide whether the Receiver was in agreement with consenting to lift the Stay of Proceedings in accordance with paragraph 8 of the Receivership Order.
33. Counsel reviewed:
- (i) the Notice of Motion filed on January 27, 2025, by Mr. Charles Hache on behalf of Sandhyaji against the Respondent and Colliers, with the supporting Affidavit of Stephanie S. Jardine, dated January 24, 2025;
 - (ii) the Brief filed by Mr. Haché on behalf of Sandhyaji.in respect of the Motion; and
 - (iii) the Affidavit of Sunhye Chung dated February 14, 2025, in support of the Receivership Application (the “Chung Affidavit”).
34. Counsel also discussed the Sandhyaji Matter with counsel to the motion, being Romain Viel and Charles Hache.
35. On March 13, 2025, Counsel circulated a letter, a copy of which is attached hereto as **Exhibit “H”**, to the service list stating that based on the materials reviewed, in his legal opinion, the Respondent did not have a claim to the Sandhyaji Deposit and informing all recipients that, unless he heard any objection from the recipients prior to March 24, 2025 that it was the Receiver’s intention to:

- a. Direct Colliers to release the Deposit to Sandhyaji,
 - b. Not consent to the lifting of the stay in respect the action and motion concerning the Deposit, and
 - c. Require the return of the \$8,050 paid by the Debtor to Sandhyaji's counsel in trust.
36. On March 13, 2025, counsel for Sandhyaji informed Counsel that (i) Collier's was not represented by Rodney Gillis, but was represented by corporate counsel Keishia Fernandopulle, who received a copy of the letter, and (ii) the \$8,050 settlement amount that had been held in trust had been paid to Sandhyaji three months prior. After further consideration and inquiry, Counsel provided the opinion that the \$8,050 settlement was completed and binding and that the Receiver should no longer pursue a claim to this settlement amount as indicated in the letter.
37. No other replies to Counsel's letter dated March 13, 2025 were received from any parties, and the Receiver proceeded as described above, with the exception of insisting the return of the \$8,050.
38. A copy of Counsel's final letter, dated March 26, 2025, regarding the Sandhyaji Matter is attached hereto as **Exhibit "I"**. Mr. Haché has confirmed that Colliers has returned the deposit to him.

The 155 Matter

39. A Notice of Action and Statement of Claim was filed with the Court in relation to the 155 Matter on April 9, 2024. However, no hearing date has been set. Copies of the pleadings, complete with statement of defense filed by the Respondent relating to the 155 Matter are attached hereto as **Exhibit "J"**.
40. Investigation of the 155 Matter by the Receiver and Counsel is ongoing.

X. INTERACTIONS WITH JAMES YOUM

41. On February 25, 2025 the Receiver sent an email to Youm advising of its appointment and requesting a list of documents from him. A copy of the Receiver's email with 1 of 2 attachments is attached hereto as **Exhibit "K"**.
42. After no response to the Receiver, Counsel opened an email dialogue with Youm's lawyer, Mr. Edwin Ehrhardt. Their email correspondence is attached hereto as **Exhibit "L"**.

43. On March 13, 2025 the Receiver received an email from Youm stating that he did not control the books and records of the Respondent and that an illness prevented him from responding quickly to emails. Youm's response email is attached hereto as **Exhibit "M"**.
44. The Receiver is not satisfied with this reply and further inquiries are ongoing.

XI. SUMMARY OF THE RECEIVER'S BORROWINGS, INVOICE, AND STATEMENT OF RECEIPTS & DISBURSEMENTS

45. As discussed above, the Receiver had been engaged as Agent by the Applicant prior its appointment as Receiver.
46. The Applicant provided the Agent with funding under that appointment. After payment of the Agent's costs incurred for utilities, snow removal, insurance, property management, security inspections, as well as the Agent's professional fees, a residual balance of \$15,163.21 remained in the possession of the Agent. With the agreement of the Applicant, these funds were transferred to the Receiver for funding of the Receivership and secured by the first Receiver's Certificate attached hereto as **Exhibit "N"**.
47. Enclosed as **Exhibit "O"** is a copy of the Receiver's invoice for professional services and disbursements to March 25, 2025.
48. Enclosed as **Exhibit "P"** is a copy of an Interim Statement of Receipts and Disbursements to March 26, 2025.
49. The Receiver has requested a further advance from the Applicant in the amount of \$89,000 and intends to provide a second Receiver's Certificate in consideration for receipt of same. A copy of the Receiver's invoice for protective disbursements is attached hereto as **Exhibit "Q"**.
50. At the time of writing this report, full payment of the invoice for protective disbursements had not yet been received. However, it is the Receiver's intention to issue a second Receiver's Certificate upon receipt.

XII. PROPOSED SALES AND INVESTMENT SOLICITATION PROCESS ("SISP")

51. The Receiver is applying to Court seeking an order approving the SISP described herein (the **"SISP Approval Order"**)

52. Hotels are often owned by private and institutional investors as well as publicly traded entities such as real estate investment trusts (REITs). As a result, the Receiver is of the view that realizable value of the Hotel will be maximized by offering the Hotel for sale nationally through an experienced real estate brokerage.
53. The Receiver sought proposals from four national commercial brokerages to conduct a SISP; namely Colliers, Cushman & Wakefield, CBRE, and Avison Young.
54. After reviewing the four broker proposals and after telephone discussions with each, the Receiver is recommending that Colliers (the “Broker”) be engaged by the Receiver to solicit offers for the Hotel. The Receiver has made this recommendation because Colliers:
- a. had the lowest commission fee of the four;
 - b. is national brokerage with connections from coast to coast;
 - c. has prior experience marketing the Hotel; both in 2016 and 2024. Additionally, in light of the lack of information provided by Youm, Colliers will have, at the least, some stale dated financial information about the Hotel’s financial performance;
 - d. recently brokered the sale of another hotel in Edmundston, NB;
 - e. is well experienced with the sale of assets under supervision of the Court; and
 - f. according to Colliers’ website and proposal, they are the most active hotel real estate intermediary in the country by both units and volume “brokering 35+ hotel transactions across Atlantic Canada totaling \$230 million over the past decade”.
55. A copy of Colliers’ proposal is attached hereto as **Exhibit “R”**.
56. In consultation with Colliers, the Receiver expects that there should be multiple prospective purchasers for the Hotel and that the sale process should be run in a tender-like manner where prospective purchasers are provided with the Receiver’s template form of Agreement of Purchase and Sale and there is a firm deadline for submission of unconditional and irrevocable offers. This will provide a competitive environment for prospective purchasers and enable to the Receiver to more easily compare offers.

57. An overview of the significant milestones and deadlines of the proposed SISP is summarized in the table below. Deadlines are listed in days or weeks following the completion of the previous milestone. The Receiver recommends that any deadlines below may be extended by the Receiver by two weeks without Court approval.

Milestone	Deadline
<p>Underwriting & Prep Phase</p> <ul style="list-style-type: none"> - Execute exclusive 6-month listing agreement with Broker. - Development marketing list and identify potential purchasers - Finalize marketing plan - Preparation of marketing materials including teaser (“Teaser”), Confidential Information Memorandum (“CIM”), Confidentiality Agreement (“CA”), and a template agreement of purchase and sale (“Template APS”) (further details on the Template APS are outlined below) - Establish Virtual Data Room (“VDR”) containing, among other pertinent information necessary for due diligence, the Template APS - Establish tour protocol 	<p>2 weeks from the Friday following issuance of a Sale Process Approval Order</p>
<p>Marketing and Due Diligence phase</p> <ul style="list-style-type: none"> - List property for sale with no formal list price - Distribute CA & Teaser to Potential Bidders - Advertise in Insolvency Insider email newsletter and AllAtlantic news website. - Conversations and meetings with, & vet potential purchasers - VDR access and invitation to tour the Hotel for potential purchasers who have executed a CA. - Conduct property tours per predetermined tour protocol - Provide technical support to potential purchasers - Solicit offers - Due diligence of potential purchasers - Set deadline for offers to 6 weeks from beginning of this milestone (“Offer Deadline”) 	<p>6 weeks</p>

Offer & Purchaser Selection Phase <ul style="list-style-type: none"> - Review submitted Template APS's - Complete subsequent offers round(s), if required - Additional tours & due diligence, if required - Negotiate final offer terms - Select purchaser (not necessarily the highest offer) - Execute final agreement of purchase and sale ("Final APS") - Final APS will be subject to Court approval 	2 weeks
Court Approval and Closing Phase <ul style="list-style-type: none"> - Application to Court for Approval and Vesting Order - Closing sale. 	As soon as possible with a view to closing within ten (10) business days of the issuance of an Approval and Vesting Order

58. The Template APS will include, among other standard terms, that the offer:

- is unconditional and irrevocable until such time that the Receiver selects as successful purchaser,
- is accompanied with a deposit in an amount that is not less than 10% of the offered purchase price,
- provides for closing of the transaction within ten (10) days of the issuance of an Approval and Vesting Order by the Court, and
- Template APS's submitted to Receiver must show redlined changed.

59. The Receiver believes this timeline is sufficient to allow potential purchasers of the Hotel adequate time to complete the necessary due diligence to put forward offers.

60. In addition, the proposed SISP contains a certain amount of flexibility to allow the Receiver to extend the process should that be required.

XIII. RECEIVER'S RECOMMENDATIONS AND REQUESTS

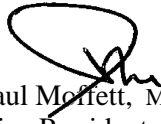
61. The Court grant the SISP Approval Order in substantially the form as submitted.
62. Approve the activities and decisions of the Receiver to-date as described in this report.

DATED at Saint John New Brunswick this 2nd day of April, 2025.

POWELL ASSOCIATES LTD.

in its capacity as Court Appointed Receiver
and not in its personal capacity

Per:



Paul Moffett, MBA CIRP LIT
Vice President

D: 506.638.9131 | pmoffett@maritimetrustee.ca

EXHIBIT “A”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF 686949 N.B. LTD. carrying on business at the County of Madawaska and Province of New Brunswick;

PURSUANT TO Section 33 of The *Judicature Act*, R.S.N.B. 1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3

BETWEEN:



CITY HOTELS NB LTD., a body corporate carrying on business in the Province of New Brunswick

APPLICANT

- and -

686949 N.B. LTD., a body corporate carrying on business in the Province of New Brunswick

RESPONDENT

RECEIVERSHIP ORDER

THIS APPLICATION, made by the Applicant for an Order pursuant to Section 33 of the *Judicature Act*, R.S. N.B. 1973, Ch. J-2, (the "**Judicature Act**"), Rule 41 of the Rules of Court of New Brunswick (the "**Rules**") and Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") appointing Powell Associates Ltd. as receiver (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of the Respondent acquired for, or used in relation to a business carried on by the Respondent, was heard this day at the City of Saint John, Province of New Brunswick.

ON READING the affidavit of Stephen Sparkes sworn February 7, 2025 and the exhibits thereto and the Affidavit of Service of Janice Barrieau sworn February 19, 2025 and the Supplemental Affidavit of Service of Janice Barrieau dated February 21, 2025, and on hearing the submissions of counsel for City Hotels NB Ltd., counsel for the Respondent, 686949 NB Ltd., counsel for the Toronto-Dominion Bank and counsel for Sandhyaji Resorts Ltd., and upon the consent of Powell Associates Ltd. to act as the Receiver.

IT IS ORDERED THAT:

SERVICE

1. The time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. Pursuant to section 33 of the Judicature Act, Rule 41 of the Rules and section 243(1) of the BIA, the Receiver is hereby appointed receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Respondent, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - a. to take possession and control of the Property and any proceeds or receipts arising from the Property but, while the Receiver is in possession of any of the Property, the Receiver must preserve and protect it;

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- b. to change locks and security codes, relocate all or some of the Property to safeguard it, engage independent security personnel, take physical inventories and place insurance coverage;
- c. to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- d. to receive and collect all monies and accounts now owed or hereafter owing to the Respondent and to exercise all remedies of the Respondent in collecting such monies, including, without limitation, to enforce any security held by the Respondent;
- e. to settle, extend or compromise any indebtedness owing to the Respondent;
- f. to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Respondent, for any purpose pursuant to this Order;
- g. to undertake environmental or workers' health and safety assessments of the Property and operations of the Respondent;
- h. to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- i. to make payment of any and all costs, expenses and other amounts that the Receiver determines, in its sole discretion, are necessary or advisable to preserve, protect or maintain the Property, including, without limitation taxes, municipal taxes, insurance premiums, repair and maintenance costs, costs or charges related to security, management fees, and any costs and disbursements incurred by any manager appointed by the Receiver;
- j. to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- k. to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - i. without the approval of this Court in respect of any transaction not exceeding \$25,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000.00; and
 - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under section 59 of the Personal Property Security Act (New Brunswick) shall not be required.

- l. to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- m. to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the

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Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- n. to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- o. to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Respondent;
- p. to enter into agreements with any trustee in bankruptcy appointed in respect of the Respondent including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Respondent;
- q. to exercise any shareholder, partnership, joint venture or other rights which the Respondent may have;
- r. to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations; and

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. The Respondent, all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall

forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Respondent, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall, subject to their right to seek a variation of this order, provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall, subject to their right to seek a variation of this Order, forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate

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access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE RESPONDENT OR THE PROPERTY

8. No Proceeding against or in respect of the Respondent or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Respondent or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies of any individual, firm, corporation, governmental body or agency or any other entity against the Respondent, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Respondent to carry on any business which the Respondent is not lawfully entitled to carry on, (ii) exempt the Receiver or the Respondent from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien and the related

filing of an action to preserve the right of a lien holder provided that the Applicant shall not be required to file a defence to same as the further prosecution of any such claim is stayed except with the written consent of the Receiver, or leave of this Court.

PERSONAL PROPERTY LESSORS

10. All rights and remedies of any Person pursuant to any arrangement or agreement to which the Respondent is a party for the lease or other rental of personal property of any nature or kind are hereby restrained except with consent of the Receiver in writing or leave of this Court. The Receiver is authorized to return any Property which is subject to a lease from a third party to such Person on such terms and conditions as the Receiver, acting reasonably, considers appropriate and upon the Receiver being satisfied as to the interest of such Person in the applicable Property. The return of any item by the Receiver to a Person is without prejudice to the rights or claims of any other Person to the property returned or to an interest therein.

NO INTERFERENCE WITH THE RECEIVER

11. Subject to Section 16 of this Order related to the Respondent's employees, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondent, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with the Respondent or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent, are hereby restrained until further

Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Respondent's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Respondent or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

13. The Receiver, in its sole discretion, may (but shall not be obligated to) establish accounts or payment on delivery arrangements with suppliers in its name on behalf of the Respondent for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Respondent, or any of them, if the Receiver determines that the opening of such accounts is appropriate.
14. No creditor of the Respondent shall be under any obligation as a result this Order to advance or re-advance any monies or otherwise extend any credit to the Respondent.

RECEIVER TO HOLD FUNDS

15. All funds, monies, cheques, instruments, and other forms of payment received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for

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herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

16. All employees of the Respondent shall remain the employees of the Respondent until such time as the Receiver, on the Respondent's behalf, may terminate the employment of such employees or they resign in accordance with their employment contracts. The Receiver shall not be liable as a result of this Order for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5), 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

17. Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**") as permitted at law. Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. A prospective purchaser or bidder requesting the disclosure of personal information shall execute such documents to confirm the agreement of such Person to maintain the confidentiality of such information on terms acceptable to the Receiver. The purchaser of any Property shall be entitled to continue to use the personal information provided to it related to the Property purchased in a manner which is

in all material respects identical to the permitted prior use of such information by the Respondent, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. Nothing herein contained shall require or obligate the Receiver to occupy or to take control, care, charge, occupation, possession or management (separately and/or collectively, "**Possession**") of any of the Property or any part thereof, that may be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, *Canadian Environmental Protection Act, 1999* (Canada), the *Clean Water Act* (New Brunswick), the *Clean Environment Act* (New Brunswick), the *Clean Air Act* (New Brunswick), and *Unsightly Premises Act* (New Brunswick) (collectively, the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

LIMITATION ON LIABILITY

19. Powell Associates Ltd., including, without limitation, any director, officer or employee of the Receiver, shall incur no liability or obligation as a result of its appointment as the Receiver or the carrying out the provisions of this Order, or in the case of any party acting as a director, officer or employee of the Receiver so long as acting in such capacity, save and except for any gross negligence, breach of contract or actionable misconduct on the part of such party, or in respect of the Receiver's obligations under sections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate

from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge to a maximum of \$150,000.00 (the "**Administrative Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and the Administrative Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. The Receiver and its legal counsel shall pass their respective accounts from time to time and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a Judge of the Court of Queen's Bench in New Brunswick in accordance with the Rules.

22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees, expenses and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved in accordance with the the preceding paragraph hereof.

RECEIVER'S INDEMNITY CHARGE

23. The Receiver shall be entitled to and is hereby granted a charge (the "**Receiver's Indemnity Charge**") upon all of the Property as security for all of the obligations incurred by the Receiver including obligations arising from or incident to the performance of its duties and functions under this Order [including the

management, operation and carrying on of all or part of the business of any of the Respondents], the BIA or otherwise, saving only liability arising from negligence or actionable misconduct of the Receiver.

24. The Receiver's Indemnity Charge shall form a second charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA and subordinate in priority to the Administrative Charge.

ALLOCATION OF COSTS

25. The Receiver shall file with the Court for its approval a report setting out the costs, fees, expenses and liability of the Receiver giving rise to the Administrative Charge, the Receiver's Indemnity Charge and the Receiver's Borrowings Charge (as defined below) and, unless the Court orders otherwise, all such costs, fees, expenses and liability shall be paid in the following manner:

- a. Firstly, applying the costs incurred in the receivership proceedings specifically attributable to an individual asset or group of assets against the realizations from such asset or group of assets;
- b. Secondly, applying the costs pro rata against all of the assets based on the net realization from such asset or group of assets; and
- c. Thirdly, applying non-specific costs incurred in the receivership proceedings *pro rata* against all of the assets based on the net realization from each asset or group of assets.

FUNDING OF THE RECEIVERSHIP

26. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not

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exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at an interest rate of 8.00 per cent (8.00%) per annum, for such period or periods of time as it may arrange, for the purpose of making payments (including interim payments) required or permitted to be made by this Order (including, without limitation, payments of amounts secured by the Administrative Charge and the Receiver's Indemnity Charge). The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **"Receiver's Borrowings Charge"**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Indemnity Charge, the Administrative Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

27. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court on seven days notice to the Receiver and the Applicant.

28. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

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

GENERAL

30. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

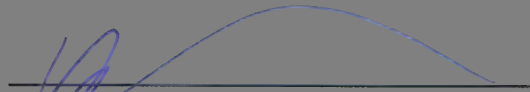
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31. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Respondent.
32. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States is hereby requested to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
33. The Receiver is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act in a representative capacity in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
34. Any interested party may apply to this Court to vary or amend this Order upon such notice required under the *Rules of the Court*, if any, or on such notice as this Court may order.
35. Any Person affected by this Order which did not receive notice in advance of the hearing of the initial application may apply to this Court to vary or amend this Order within five (5) days of such Person being served with a copy of this Order.
36. In addition to the reports to be filed by the Receiver under the BIA or *New Brunswick Business Corporations Act*, on the application to the Court of any secured creditor, the Receiver shall file a report of its activities with the Court.

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37. The Receiver shall not be discharged without notice to such secured creditors and other parties as the Court directs.

Dated at Saint John, New Brunswick, this 21st day of February, 2025.



Justice of the Court of Queen's Bench
of New Brunswick

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

- i. THIS IS TO CERTIFY that Powell Associates Ltd., the receiver (the "**Receiver**") of the assets, undertakings and properties 686949 NB Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Court of King's Bench of New Brunswick (the "**Court**") dated the ____ day of February, 2025 (the "**Order**") made in an action having Court file number SJM/____/ 2025 has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
- ii. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at an interest rate of 8 per cent (8.00%) annum.
- iii. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such

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Property in respect of its remuneration and expenses.

- iv. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____, _____.
- v. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- vi. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
- vii. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

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

Per: _____
Name: _____
Title: _____

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EXHIBIT “B”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

CITY HOTELS NB Ltd.
106 Airport Road
St-John's, NL
A1A 1Y3

February 4, 2025

Powell Associates Ltd.
302-133 Prince William St.,
Saint John, NB E2L 2B5

Attn: Mr. Paul Moffett

Dear Sirs:

Re: 686949 NB Ltd. (the "Corporation")

We are writing in connection with the obligations of the Corporation to City Hotels NB Ltd. (the "Mortgage Lender"). The Debtor is indebted to the Mortgage Lender in the amount of \$936,837.08 as at January 22, 2025

The Corporation granted the "Mortgage Lender" a security interest in certain of its assets (the "Collateral") more particularly described in the following security agreement(s) (the "Security"):

1. a mortgage registered as document number 35735605 on March 3, 2016, under the Land Titles System for the Province of New Brunswick.

The Debtor is in default of its obligations to the Lender and, the Lender made demand and issued notice pursuant to section 244(1) of the Bankruptcy and Insolvency Act on January 22, 2025.

The Mortgage Lender intends to make an application to the Court of King's Bench of New Brunswick in Bankruptcy and Insolvency pursuant to Section 33 of the Judicature Act, RSNB 1973, c J-2 and Rule 41 of the Rules of Court, NB Reg 82-73 and Section 243 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 to appoint Powell Associates Ltd. as receiver (the "Court Appointment").

In the interim period between now and the Court Appointment, we hereby appoint Powell Associates Ltd. as Agent of the Mortgage Lender, (the "Agent") for the purposes of preserving the Collateral including, but not limited to, ensuring ongoing supply of insurance, services, and utilities that are deemed necessary to safeguard the Collateral. However, the Agent is specifically directed not to take possession of the Collateral or do any act of enforcing the Mortgage Lenders Security.

The Mortgage Lender agrees to pay the Agent's professional fees and out-of-pocket expenses in relation to the appointment herein irrespective of a Court Appointment. The Agent's professional fees will be charged at the Agent's normal hourly rates for the personnel working on this engagement. The Agent is authorized to engage such agents as the Agent deems necessary to fulfill its obligations.

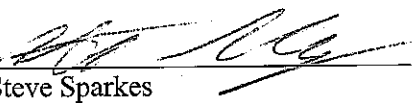
The Mortgage Lender further agrees to indemnify the Agent for any and all costs or obligations incurred by the Agent as a result of, or in connection with, the Agent's appointment herein. However, the indemnity shall not apply in relation to matters resulting from the Agent's gross negligence or willful misconduct.

The terms of this appointment shall cease immediately upon a Court Appointment or upon formal written notice by the Lender. We acknowledge that, if/when appointed by the Court as a Receiver, you will become an officer of the Court and have obligations to all stakeholders that will be involved in the Court Appointment including, creditors of all classes and types, the Court, the Office of the Superintendent of Bankruptcy and the Corporation.

If you are in agreement with these terms of the appointment of the Agent, please execute the acceptance at the bottom of this letter and return a copy to us. Your appointment takes effect upon execution of the acceptance.

If you have any questions regarding this matter, please do not hesitate to contact us.

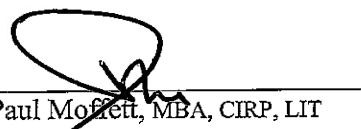
CITY HOTELS NB LTD.

Per: 
Steve Sparkes
President

ACCEPTANCE

Powell Associates Ltd. hereby accepts the appointment as Agent more particularly described above.

POWELL ASSOCIATES LTD.

Per: 
Paul Moffett, MBA, CIRP, LIT
Vice President
D: 506.638.9131 | pmoffett@maritimetrustee.ca

February 4, 2025
Date

EXHIBIT “C”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

District of New Brunswick
Court File No. SJM/31/2025

IN THE MATTER OF THE RECEIVERSHIP OF
686949 N.B. LTD.
(the “Debtor”)

NOTICE & STATEMENT OF RECEIVER
s245(1) & s246(1)

The Receiver gives notice and declares that:

1. On the 21st day of February 2025, Powell Associates Ltd. (the “Receiver”) became the receiver in respect of the property of the Debtor, an insolvent person that is described below:
 - a. New Brunswick real property PID 35257328 located at 919 Canada Road, Edmundston, NB (the “Real Property”). This property is improved with a hotel branded as a Travelodge. The hotel was not operating at the time of appointment.
 - b. Business assets located on and within the Real Property to include, but not be limited to, equipment, chattels, and other personal property.
 - c. Such other personal property not currently in the Receiver’s possession that may be discovered, and which is subject to the court order described below.
2. The Receiver was appointed by the Court of King’s Bench of New Brunswick pursuant to Section 33 of the *Judicature Act*, R.S.N.B. 1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, pursuant to an application by City Hotels NB Ltd. A copy of the order can be provided upon request to the Receiver.
3. The Receiver took possession or control of the property described above on the 25th day of February 2025.
4. The following information relates to the receivership:
 - (a) Address of insolvent person: 212 Queen Street, Suite 401
Fredericton, NB
E3B 1A8
 - (b) Principal line of business: Hotel
 - (c) Location(s) of business: 919 Canada Road,
Edmundston
E3V 3X3

- (d) Estimated amounts owed by the Debtor to each creditor who holds a security on the property described above:

City Hotels NB Ltd.	\$ 937,000
TD Canada Trust	437,000
Meridian OneCap Credit Corp.	186,000

- (a) The list of other known or suspected business creditors of the Debtor and the estimated amount owed to each business creditor are attached hereto as Schedule "A". Readers are cautioned that this list is incomplete. The books and records of the Debtor are in the custody of Mr. James Youm, a shareholder of the Debtor. Despite requests from the Receiver and its counsel to turn over the financial records and respond to other questions, at the date of this report, no information has been received from Mr. Youm.
- (b) The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is to realize upon the assets of the Debtor by way of public auction, private sale, mortgage sale, or sale by tender.
- (c) Contact for Receiver:

Paul Moffett
Tel: 506.638.9131
Fax: 506.638.1428

Email: pmoffett@maritimetrustee.ca

David Moffatt
Tel: 902.706.4306
Fax: 506.638.1428

Email: dmoffatt@maritimetrustee.ca

Unlike bankruptcy proceedings, the *Bankruptcy and Insolvency Act* does not require that a meeting of creditors be held in a receivership

Interim reports regarding the status of the Receivership will be prepared in accordance with section 246(2) of the Act approximately once every six months. Creditors who wish to receive a copy of the interim report or the final report may request one by writing to the Receiver at the address set out above.

Dated at Dartmouth, Nova Scotia this 3rd day of March, 2025.

Yours truly,

POWELL ASSOCIATES LTD.

Per:


David Moffatt, CIRP

Vice President

T: 902.706.4306 | dmoffatt@maritimetrustee.ca

IN THE MATTER OF THE RECEIVERSHIP OF
686949 N.B. LTD.
(the “Debtor”)

Schedule “A”

Creditor	Estimated amount owing
TD Canada Trust	\$60,000
Superior Lodging Development TL Corporation	48,000
Atlantic Canada Opportunities Agency	46,000
Previous employees / Wage Earner Protection Program	1
City of Edmundston	1
WorkSafe New Brunswick	1
Canada Revenue Agency	1
Superior Propane	1
Sandhyaji Resorts Inc.	1

Creditors whose estimated amount owing is listed at \$1 are suspected creditors or creditors where amounts are not yet known to the Receiver.

EXHIBIT “D”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Form 15

MORTGAGE

Land Titles Act, S.N.B. 1981, c.L-1.1, s.25
Standard Forms of Conveyances Act, S.N.B. 1980, c.S-12.2, s.2

Parcel Identifier: 35257328

Mortgagor: 686949 N.B. Ltd.
130 McDowell WYND
Leduc AB
T9E 0M3

Mortgagee: City Hotels NB Ltd.
106 Airport RD
St. John's NL
A1A 4Y3

Manner of Tenure: Not Applicable

Principal Sum: \$1,440,000.00

Interest Rate: See Schedule "G"

How Interest Calculated: yearly not in advance, before and after maturity of this mortgage, and both before and after default and judgment, until paid.

Interest Adjustment Date: March 1, 2016

Term: See Schedule "G"

Payments: See Schedule "G"

Payment Dates: beginning on the 29th day of March, 2016 and continuing on the 29th day of each and every following month until expiry of the Term or until paid in full.

Maturity Date: January 29, 2021

Place Of Payment: the mortgagee's registered office in New Brunswick, or at any other place the mortgagee may designate.

Statutory Covenants and Conditions Excluded: 102, 104, 106, 107, 109, 111, & 113

Optional Covenants and Conditions Included: 120, 122, 123, 124, 127, 130, 135, 143 & COXPAL - 2716

The Schedule "G" attached hereto forms part of this Mortgage.

The mortgagor mortgages to the mortgagee in the specified manner of tenure the specified parcel to secure repayment of the principal sum with interest as well after as before maturity as specified.

The mortgagor acknowledges receipt of the text of the covenants and conditions which are contained in this mortgage by reference to the distinguishing number or by virtue of subsection 25(4) of the Land Titles Act, and agrees to be bound by them to the same extent as if set out at length herein.

Date: 2016-02-26

Mortgagor:

686949 N.B. Ltd.
James Youm, President

Registrar of Land Titles for the District of New Brunswick

Registration Date & Time: 2016-03-03 15:52:02

Registration Number: 35735605

Report ID: 4928058

SCHEDULE "G"

Interest Rate: 4.25% per annum for the Initial Term. If the Mortgagee, in accordance with the terms hereof, extends the Term for an additional 5 years upon expiry of the Initial Term, the rate of interest during the additional 5 year term shall be equal to the Bank of Montreal's then annual prime rate of interest, plus two point five percent (2.5%) per annum.

Term: 5 Years from the Interest Adjustment Date (the 'Initial Term'), provided if the Mortgagor is not in default under any of the terms of the Mortgage, the Mortgagor may, in its sole discretion and without consent of the Mortgagee, extend the Mortgage for a further term of 5 Years, to expire on January 28th, 2026 ('the Final Maturity Date') at the written request of the Mortgagor to be provided to the Mortgagee at least 30 days in advance of the Maturity Date.

Amortization Period: The amortization period for the Mortgage is 15 years.

Payments: The first thirty-six (36) scheduled monthly loan payments shall be interest only at the Interest Rate [the first monthly loan payment shall be in the amount of \$5,604.80 and the thirty-five (35) consecutive monthly loan payments thereafter shall be in the amount of \$5,100.00]. Beginning on the thirty-seventh (37th) scheduled monthly loan payment and continuing to the Maturity Date, the monthly loan payments shall be as follows (\$10,000.00 of each of which shall be on account of the Principal Sum and the balance of each of which shall be on account of interest):

Scheduled Monthly Payment : Total Payment Amount

#37 : \$15,100.00
 #38 : \$15,064.58
 #39 : \$15,029.17
 #40 : \$14,993.75
 #41 : \$14,958.33
 #42 : \$14,922.92
 #43 : \$14,887.50
 #44 : \$14,852.08
 #45 : \$14,816.67
 #46 : \$14,781.25
 #47 : \$14,745.83
 #48 : \$14,710.42
 #49 : \$14,675.00
 #50 : \$14,639.58
 #51 : \$14,604.17
 #52 : \$14,568.75
 #53 : \$14,533.33
 #54 : \$14,497.92
 #55 : \$14,462.50
 #56 : \$14,427.08
 #57 : \$14,391.67
 #58 : \$14,356.25
 #59 : \$14,320.83
 #60 : \$14,285.42
 #61 : \$14,250.00
 #62 : \$14,214.58
 #63 : \$14,179.17
 #64 : \$14,143.75
 #65 : \$14,108.33
 #66 : \$14,072.92
 #67 : \$14,037.50
 #68 : \$14,002.08
 #69 : \$13,966.67
 #70 : \$13,931.25

The balance, if any, of the Principal Sum and interest thereon at the Interest Rate shall become due and payable and be paid on the Maturity Date, unless the Initial Term is extended for an additional 5 years pursuant to the terms hereof, in which case, the balance, if any, of the Principal Sum and interest thereon at the Interest Rate shall become due and payable and be paid on the Final Maturity Date. Provided if the Mortgagor is not in default under any of the terms

of the Mortgage, the Mortgagor may repay the Principal Sum, in whole or in part, at any time, and from time to time.

EXHIBIT “E”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Form 47
Formule 47

CERTIFICATE OF REGISTERED OWNERSHIP
CERTIFICAT DE PROPRIÉTÉ ENREGISTRÉE

Land Titles Act, S.N.B. 1981, c. L-1.1, s.63
Loi sur l'enregistrement foncier, L.N.-B. de 1981, chap. L-11, art. 63

Parcel Identifier | Numéro d'identification de parcelle :

35257328

Owner | Propriétaire :

686949 N.B. Ltd.		
c/o Actus Law Droit		
900 Main ST		
Moncton NB		
E1C 1G4		
Deed/Transfer Acte de transfert/Transfert		
Madawaska	2016-03-03	35735571

Manner of Tenure | Mode de tenure :

Not Applicable | Sans objet

Encumbrances | Charges :

City Hotels NB Ltd.		
106 Airport RD		
St. John's NL		
A1A 4Y3		
Mortgagee Créancier hypothécaire		
Mortgage Hypothèque		
Madawaska	2016-03-03	35735605
JYSK Holdings Ltd.		
3132 Parsons RD NW UNIT 208		
Edmonton AB		
T6N 1L6		
Claimant Réclamant		
Lis Pendens Affaire en instance		
Madawaska	2025-01-10	45704229

Instruments in the Registration Process | Instruments dans le processus d'enregistrement :

NONE | AUCUN

THIS IS TO CERTIFY THAT the specified owner is the registered owner and holds title in fee simple, by virtue of the specified instrument(s) and in the specified manner of tenure, to the specified parcel, described in Schedule "A" attached hereto. The title to the land is subject to the overriding incidents specified in subsection 17(4) of the Act and also to the specified encumbrances.

LE PRÉSENT CERTIFICAT ATTESTE QUE le propriétaire spécifié est le propriétaire enregistré et est titulaire du titre en fief simple, en vertu de(s) l'instrument(s) spécifié(s), selon le mode spécifié de tenure de la parcelle spécifiée, décrite à l'Annexe <<A>> ci-jointe. Le titre du bien-fonds est soumis aux réserves dérogatoires précisées au paragraphe 17(4) de la Loi et également aux charges spécifiées.

THE TITLE TO THE LAND may be subject to the specified instruments, which have been entered in the instrument record and may be entered on the title register when the registration process is completed. LE TITRE DU BIEN-FONDS peut être soumis aux instruments spécifiés qui ont été portés au registre des instruments et qui peuvent être portés au registre des titres lorsque la procédure d'enregistrement est achevée.

THIS CERTIFICATE is evidence of the particulars contained herein as of the date and time of its issue. The description is not conclusive as to the boundaries or extent of the land. LE PRÉSENT CERTIFICAT constitue la preuve des renseignements qu'il contient à la date et à l'heure de sa délivrance. La description n'est pas probante en ce qui concerne les limites ou l'étendue du bien-fonds.

Date & Time | Date et heure : 2025-02-27 16:31:29

Registrar of Land Titles for the District of New Brunswick

Le registrateur des titres de biens-fonds de la Circonscription du Nouveau-Brunswick

Report ID | Rapport ID : 7861224

Schedule A | Annexe A**PID | NID :** 35257328**Apparent Parcel Access | Accès apparent à la parcelle :** Public Access | Accès public**Status | État de la demande :** Current | Courant**Effective Date/Time | Date et heure de prise d'effet :** 2004-11-05 12:54:55**Legal Description | Description officielle :**

That parcel of land and premises in:

Place Name: Edmundston

Parish/County: Madawaska/Madawaska

Described as follows: BEGINNING at a point on the easterly sideline of Canada Road where the dividing line between the property of Nelson Monuments Ltd. and Kennedy Developments Ltd. intersects the said sideline; thence northerly along the easterly side of Canada Road following a gradual curve to the right a distance of nine hundred thirty-eight point five six feet, more or less, to a point marking the intersection of the said easterly sideline of Canada Road with the boundary line between the lands of Her Majesty The Queen In Right Of The Province of New Brunswick and the lands of Kennedy Developments Ltd.; thence one hundred and five degrees thirty-six minutes ten seconds a distance of two hundred fifty-seven point zero eight feet to a point on the westerly limits of the Trans Canada Highway; thence following the limits of the Trans Canada Highway one hundred fifty-five degrees zero five minutes fifty seconds a distance of four hundred ninety-seven point four eight feet to a point; thence following said limits easterly forty-one feet to a point; thence southerly along said limits two hundred six feet to a point marking the intersection of the westerly limits of the Trans Canada Highway with the boundary line between the property of Nelson Monuments Ltd. and Kennedy Developments Ltd.; thence southwesterly along said boundary two hundred thirty-three feet more or less to the point or place of beginning. Being and intending to be all of the lands of the said Kennedy Developments Ltd. located between the Trans Canada Highway and Canada Road and bounded northerly by the lands of Her Majesty The Queen and southerly by the lands of Nelson Monuments Ltd.

BEING the same lands conveyed in Deed Number 183147 to RoyNat Inc., registered in the Madawaska County Registry Office on April 6, 1993 in Book 725 at Page 543.

Excepting the following parcels:

Lot 85-1 on Plan 416, registered in the Madawaska County Registry Office on October 22, 1987

Lot 99-1 on Plan Number 10343185, registered in the Madawaska County Registry Office on July 8, 1999.

EXHIBIT “F”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched:	New Brunswick
Type of Search:	Debtors (Enterprise)
Search Criteria:	686949 N.B. Ltd.
Date and Time of Search (YYYY-MM-DD hh:mm):	2025-03-17 14:09 (Atlantic)
Transaction Number:	26784726
Searched By:	P189565

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	35252998	686949 N.B. LTD.	EDMUNSTON
*	*	38361069	686949 N.B. Ltd.	EDMUNDSTON
*	*	40911737	686949 N.B. Ltd.	Edmunston
*	*	41347998	686949 N.B. Ltd.	Edmundston

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 4 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 35252998

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	35252998	2021-05-19 16:05	2026-05-19	1772243-CT9

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
686949 N.B. LTD.
919 CH CANADA ROAD
EDMUNSTON NB E3V 3X2
Canada

Secured Parties

Type: Enterprise
THE TORONTO-DOMINION BANK - 82509
630-3803 CALGARY TRAIL NW
Edmonton AB T6J 5M8
Canada
Fax #: 403-448-8548

General Collateral

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY

Registration Details for Registration Number: 38361069

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	38361069	2023-05-04 13:21	2029-05-04	AVS25189430

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
YOUM, JAMES JINSEONG
919 CHEMIN CANADA
EDMUNDSTON NB E3V3X2
Canada
Date of Birth (YYYY-MM-DD): 1973-01-02

Type: Enterprise
686949 N.B. Ltd.
919 CHEMIN CANADA
EDMUNDSTON NB E3V3X2
Canada

Secured Parties

Type: Enterprise
MERIDIAN ONECAP CREDIT CORP.
204 - 3185 Willingdon Green
Burnaby BC V5G4P3
Canada

General Collateral

WATER TANK(S), LOCK SYSTEM(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Registration Details for Registration Number: 40911737

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	40911737	2024-11-26 16:59	2030-11-26	AVS37228322

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
686949 N.B. Ltd.
919 Chemin Canada
Edmunston NB E3V3X2
Canada

Secured Parties

Type: Enterprise
MERIDIAN ONECAP CREDIT CORP.
204 - 3185 Willingdon Green
Burnaby BC V5G4P3
Canada

General Collateral

CONDENSING BOILER (S)
TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR

INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

Registration Details for Registration Number: 41347998

Province or Territory: New Brunswick

Registration Type: Notice of Appointment of Receiver

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	41347998	2025-03-13 16:11	2026-03-13	686949 N.B. Ltd.

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Court Information

Registration Number			Court File Number	Court; Judicial District or Centre
41347998			SJM/31/2025	Court of King's Bench of New Brunswick Trial Div.; Fredericton

Debtors

Type: Enterprise
686949 N.B. Ltd.
Moffett, Paul D
Vice President - PAL
919 Canada Road
Edmundston NB E3V 3X2
Canada

Receivers

Type: Enterprise
Powell Associates Ltd
President
302-133 Prince William St.
Saint John NB E2L 2B5
Canada
Phone #: 506-638-9220
Fax #: 506-638-1428

General Collateral

The Receiver was appointed on February 21, 2025 by the New Brunswick Court of Kings Bench in Bankruptcy and Insolvency over all of the property, assets and undertakings of 686949 N.B. Ltd.

END OF REPORT

EXHIBIT “G”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.



COMMERCIAL INSURANCE POLICY

POLICY NUMBER P84455
REPLACES NUMBER
PURPOSE OF DOCUMENT New Policy
SUBSCRIPTION POLICY

Angus-Miller Ltd
One Germain Street, Suite 902
Saint John, NB E2L 4V1

POLICY DECLARATIONS

Purpose of Document	New Policy
The Insurer will provide the insurance described in this Document in return for the premium paid by the Insured and his compliance with the terms of this insurance.	
Name of Insured	Powell Associates Ltd. in its Capacity as Court-Appointed Receiver for 686949 Ltd.
Mailing Address	302-133 Prince William St Saint John NB E2L 2B5
Location Address	919 Canada Ch Edmundston NB E3V 3X2
Policy Period	From March 12, 2025 To September 12, 2025 (12:01 a.m. Standard Time at the Mailing Address of the Insured)
Broker	J. B. Elliot Insurance Ltd 229 Metcalf St Saint John NB E2K 1K7 506-658-1986
Locations of Risk	Per attached Locations and Loss Payees schedule
Description of Business Operations	Vacant Travelodge Motel with 132 Rooms
Total Policy Premium	\$31,913
Total Policy Fees	\$250
Total Amount Due	\$32,163
Minimum Retained Premium	\$250

THIS COMMERCIAL INSURANCE POLICY CONSISTS OF THIS (THESE) DECLARATIONS PAGE(S) ALONG WITH THE "GENERAL CONDITIONS" (OR "STATUTORY CONDITIONS"), AS WELL AS ALL COVERAGE WORDINGS, RIDERS OR ENDORSEMENTS THAT ARE ATTACHED HERETO.

For purposes of the Insurance Companies Act (Canada), this document was issued in the course of Lloyd's Underwriters' insurance business in Canada.

Type of Coverage	Annual Premium	Min. Retained Coverage Prem
Property	\$31,413	Nil
Liability	\$500	Nil
Other	Incl	Nil
Minimum Retained Policy Premium	\$250	

The insured is requested to read this policy and if incorrect return it immediately for alteration.

In the event of an occurrence likely to result in a claim under this insurance, immediate notice should be given to the Coverholder whose name and address appears above. Claims may also be reported by phone by contacting the coverholder toll-free at 1-800-222-9718. All inquiries and disputes are also to be addressed to this Coverholder

THIS POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE

In witness whereof this policy has been signed as authorized by the Underwriters/Insurers, by Angus Miller Ltd.

Per

Agreement No.
25PB131
B123025PB131



COMMERCIAL INSURANCE POLICY
POLICY NUMBER P84455
PURPOSE OF DOCUMENT New Policy
 SUBSCRIPTION POLICY

Angus-Miller Ltd
 One Germain Street, Suite 902
 Saint John, NB E2L 4V1

PROPERTY

Location Number	1		
Location Address	919 Canada Ch, Edmundston	Province: NB	Postal Code: E3V 3X2
Occupancy by Insured	Vacant Travelodge motel w/ 132 rooms		
Occupancy by Others			
Year Built:	1979	Total Area:	0 Sq. Ft.
Stories:	3		
Construction:	Brick Veneer(25%), Frame (Wood)(75%)	Roof:	Tar & Gravel
Basement:	Yes		
Electrical:	200 Amp - Breakers	Heating:	Baseboard / Electric
Plumbing:			
Updated Electrical:	0	Updated Heating:	0
Updated Plumbing:	0	Updated Roof:	0
Hydrant Protection:	Yes	Fire Hall:	Semi Protected
Fire Alarm:	Monitoring Station (Full)		
Security Alarm:	Monitoring Station (Full)		
Exposures:	Clear all Directions		

INSURANCE IS PROVIDED FOR ONLY THOSE COVERAGES FOR WHICH RIDERS ARE INDICATED AND SPECIFIC LIMITS OR AMOUNTS OF INSURANCE ARE STATED BELOW

Form #	Coverage Description	Deductible	Valuation	Co-Ins	Limit	Rate	Premium
PN1	Commercial Building Equipment and Stock Named Perils						
	Building	\$10,000	ACV	80%	\$5,000,000	\$0.54	\$27,000
	Equipment	\$10,000	ACV	80%	\$575,000	\$0.75	\$4,313
	Aegis Unoccupancy Conditions						
PE-19A	Vacancy Permission Extension						
PX1	Vandalism Exclusion						
PE8	Sewer Backup Extension	\$10,000			\$100,000		\$100



COMMERCIAL INSURANCE POLICY
POLICY NUMBER P84455
PURPOSE OF DOCUMENT New Policy
SUBSCRIPTION POLICY

Angus-Miller Ltd
One Germain Street, Suite 902
Saint John, NB E2L 4V1

Applicable To Property Section

Form #	Coverage	Form #	Coverage
PX29	Data Exclusion	LMA5393	Communicable Disease Endorsement
PX30	Terrorism Exclusion		

LIABILITY

Form #	Coverage	Deductible	Type	Limit	Premium
L1a	Commercial General Liability (Occurrence Form)	\$1,000		\$2,000,000	\$500
	Personal and Advertising Injury Limit - Any one person or organization			\$2,000,000	
	Tenants Legal Liability Limit - Any One Premises	\$1,000		\$250,000	
	Medical Expense Limit - Any One Person			\$2,500	Included
	Each Occurrence Limit			\$2,000,000	Included
LD3c	Combined Deductible (Bodily Injury and Property Damage)	\$1,000			
	Per Occurrence				
LX41	Terrorism Exclusion				
LX42	Data Exclusion				
	Products-Completed Operations Excluded				
LR1A	Limitation to Designated Premises Restriction				Included
LX45	Total Pollution Exclusion				

Applicable To All Liability Coverage

Form #	Coverage	Form #	Coverage
NMA1978a	Nuclear Incident Exclusion Clause - Liability-Direct (Broad) - Canada	LMA5396	Communicable Disease Exclusion

Applicable To All Coverages Of This Policy

Form #	Coverage	Form #	Coverage
O10	Illegal Substances Exclusion	NMA1270	Radioactive Contamination Exclusion Clause
R1	Additional Agreements and Conditions	LMA5190A	Several Liability Clause
R4	Electronic Date Recognition Clause	LMA5028B	Service of Suit Clause
LSW1542F	Lloyd's Underwriters' Policy Holders' Complaint Protocol	LSW1543E	Canadian Privacy Policy Clause
R13	Personal Information Protection Policy	LMA3100	Sanction Limitation and Exclusion Clause
R7	Short Rate Cancellation Table	LMA5401	Property Cyber and Data Exclusion
	Asbestos Exclusion	LMA5404	Cyber and Data Exclusion
LSW1565C	Code of Consumer Rights and Responsibilities	LMA5313	Financial Crime Endorsement
LSW1548	Identification of Insurer	NMA1191	Radioactive Contamination Exclusion Clause
LMA5018	Micro-Organism Exclusion (Absolute)	LSW1001	Several Liability Notice
NMA464	War and Civil War Exclusion Clause	NMA1331	Cancellation Clause
NMA2962	Biological or Chemical Materials Exclusion	LMA5528	Cyber and Data Exclusion



COMMERCIAL INSURANCE POLICY

POLICY NUMBER P84455
PURPOSE OF DOCUMENT New Policy
SUBSCRIPTION POLICY

Angus-Miller Ltd
One Germain Street, Suite 902
Saint John, NB E2L 4V1

SUBSCRIPTION POLICY

LSW1554

IN CONSIDERATION OF THE INSURED having paid or agreed to pay each of the INSURERS named in the List of Subscribing Companies forming part herof, or to INSURERS whose names are substituted therefor or added thereto by endorsement, hereinafter called "THE INSURERS", the Premium set against its name in the List of Subscribing Companies (attached hereto).

THE INSURERS SEVERALLY AND NOT JOINTLY agree, each for the Sum(s) Insured or Percentage(s) and for the Coverage(s) Insured set against its name in the List of Subscribing Companies, and subject always to the terms and conditions of this Policy, that if a loss occurs for which Insurance is Provided by this Policy at any time while it is in force, they will indemnify the INSURED against the loss so caused; the liability of each Sum Insured or the amount corresponding to the Percentage set against its name in the List of Subscribing Companies, or such other sum or percentage as may be substituted therefor by endorsement, bears to the total of the sums insured or of the amounts corresponding to the percentages of the sums insured respectively set out against the coverage concerned on the Declarations page(s).

That as regards each item of property insured which is lost or damaged at any time while this Policy is in force by a peril for which insurance is provided by the terms and conditions of this Policy, the liability of each Insurer individually shall be limited to whichever is the least of:

- (a) that proportion of the actual cash value of the property at the time of loss, destruction or damage which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual Insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril, or
- (b) that proportion of the interest of THE INSURED in the property which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this policy in respect of that property against that peril, or
- (c) that proportion of the limit of insurance stipulated in respect of the property lost, destroyed or damaged which the amount of the sum insured under this Policy in respect of that property against that peril corresponding to the individual insurer's proportion of the total sum insured for the coverage concerned as appears from the entry set against its name in the List of Subscribing Companies bears to the total sum insured under this Policy in respect of that property against that peril,

Provided however, that where the insurance applies to the property of more than one person or interest "THE INSURERS" total liability for loss sustained by all such persons and interests shall be limited in the aggregate to the specified limit or limits of liability.

If this Policy contains a Co-Insurance Clause or a Guaranteed Amount (Stated Amount) Clause, and subject always to the limit of liability of each Insurer corresponding to the percentage of the sum insured by this Policy as set out above, no Insurer shall be liable for a greater proportion of any loss or damage to the property, than the sum insured by such insurer bears to:

- (a) That percentage, stated in the Co-Insurance Clause, of the actual cash value of the said property at the time of loss, or
- (b) The guaranteed Amount (Stated Amount) of the total insurance stated in the Guaranteed Amount (Stated Amount) Clause, as the case may be.

If the insurance under this Policy is divided into two or more items, the foregoing shall apply to each item separately.

Wherever in this Policy, or in any endorsement attached hereto, reference is made to "The Company", "The Insurer", "This Company", "we", "us", or "our", reference shall be deemed to be made to each of the Insurers severally.

This Policy is made and accepted subjected to the foregoing provisions, and to the other provisions, stipulations and conditions contained herein, which are hereby specially referred to and made a part of this Policy, as well as such other provisions, agreements or conditions as may be endorsed hereon or added hereto.

IN WITNESS WHEREOF THE INSURERS through their representative(s) duly authorized by them for this purpose have executed and signed this Policy.



COMMERCIAL INSURANCE POLICY
POLICY NUMBER P84455
PURPOSE OF DOCUMENT New Policy
 SUBSCRIPTION POLICY

Angus-Miller Ltd
 One Germain Street, Suite 902
 Saint John, NB E2L 4V1

LIST OF SUBSCRIBING COMPANIES	SECTION	PERCENT INSURED	TOTAL PREMIUM	ENDORSEMENT PREMIUM
Property				
Lloyd's Underwriters Led By Tokio Marine Kiln, Syndicate 510 Under Agreement No. 25PB131, UMR B123025PB131	Property	20%	\$6,282	
Certain Underwriters at Lloyd's Under Agreement No. 25PB132, UMR B123025PB132	Property	20%	\$6,283	
Certain Underwriters at Lloyd's Under Agreement No. 91003W25, UMR B114191003W25	Property	20%	\$6,283	
The Insurance Company Of Prince Edward Island	Property	10%	\$3,141	
Stanley Mutual Fire	Property	10%	\$3,141	
Echelon Insurance	Property	20%	\$6,283	
Total Property		100%	\$31,413	
Liability				
Certain Underwriters at Lloyds Under Agreement No. 24PB134, UMR B123024PB134	Liability	100%	\$500	
Total Liability		100%	\$500	
			Total Premium	\$31,913

Broker : ELLIOT INSURANCE LTD

Insured Information

BUYER(being the INSURED and the PAYOR)
 Insured Name: POWELL ASSOCIATES LTD. IN IT&E™S CAPACITY AS COURT-APPOINTED RECEIVER FOR 686949 LTD.
 Address 302-133 PRINCE WILLIAM ST
 City: SAINT JOHN, NB Postal Code: E2L 2B5
 Home No: Cell No:
 Email:

CONTINUOUS CONTRACT ACKNOWLEDGEMENT
 By execution of this acknowledgement, the Buyer acknowledges and accepts the Continuous Contract terms and conditions attached to this contract. The Buyer also acknowledges that the amounts set out below may change in subsequent years if total premiums and/or annual rate change.

Continuous Contract ☐ 2025-03-11
 Buyer(Insured) Signature Date
 THIS SECTION MUST BE COMPLETED IF CONTINUOUS CONTRACT IS DESIRED

SCHEDULE OF POLICIES

POLICY NUMBER	EXPIRES	INSURANCE COMPANY	TYPE OF POLICY	TERM	PREMIUM
	2025-03-11	ANGUS MILLER LTD	COMMERCIAL PROPERTY	6	31913.00
	2025-03-11	ANGUS MILLER LTD	FEE	6	260.00

TERMS AND CONDITIONS
 Do not sign this contract until you read the conditions on the page attached to this contract. Upon signing below, the Buyer understands and agrees that the provisions on the attached page hereof are hereby incorporated by reference and constitute a part of this contract.
 Receipt of a copy of this contract is hereby acknowledged by the buyer.
LATE PAYMENT CHARGE:
 Accounts that are past due will be subject to a late payment charge of 2% of the monthly payment (24% per year). A minimum charge of \$5.00 will apply.
 NOTICE: This contract is subject to Premium Finance Services Ltd., 133 Prince William St., Saint John, N.B. E2L 4K3
 on 2025-03-12 08:52:52 ADT
 Buyer(Insured) Signature Date 2025-03-11
 E-SIGNATURE OF ALL AGENTS DESIGNATES IN THE POLICIES MUST SIGN ABOVE
 on 2025-03-11 15:17:06 ADT 2025-03-11
 Agent or Seller Date For conditions of contract and eligibility requirements - See attached page

Pay't Schedule

Monthly Pay't Amt \$ 5474.00	TOTAL PREMIUM \$32163.00
Due Date of First Payment 2025-04-11	DOWN PAYMENT \$8825.00
# of Payments (12 CONTINUOUS)	BALANCE \$23338.00
Payment Method Pre-authorized	SERVICE CHARGE \$222.89 (min \$20)
	BALANCE DUE \$
	ANNUAL RATE 5.99% 71566.49

TO: Premium Finance Services Ltd. ("PFS")
 For value received, the undersigned does hereby sell, assign and transfer to PFS all its right, title and interest in and to the within Premium Installment Contract and authorize PFS to do every act and thing necessary to collect and discharge the same. The undersigned certifies that said contract arose from the sale of insured policies described above and which are in force and that a copy thereof has been given to the buyer. The buyer, the insured, hereby authorizes and irrevocably appoints PFS further agent and attorney in fact, for the purpose of cancelling the policies of insurance herebefore described, in the event that the buyer/insured defaults in any terms of this contract, including default of any payment as herein described. The buyer/insured further agrees to waive and release thereby any right to cancellation given by PFS to the insurer and waives any claim against PFS for the services, loss or expense incurred from a bona fide cancellation by PFS resulting from the default under the terms herein on the part of the buyer/insured.
 Upon payment to PFS of all monies due and owing under the Premium Finance Contract, together with interest thereon, the buyer/insured shall be released from all obligations hereunder and the buyer, the insured, hereby irrevocably releases, defends, indemnifies and holds PFS harmless from and against all claims, damages, costs and expenses of whatever kind and nature that may be asserted against or incurred by PFS in connection with the performance of its duties hereunder.
 on 2025-03-12 08:53:00 ADT
 Buyer (Insured) Signature Date 2025-03-11
 Agent (Broker) Signature Date 2025-03-11

PRE-AUTHORIZED DEBITS AUTHORIZATION

Name of Financial Institution (Processing Member)
 ROYAL BANK OF CANADA

Address

Account 1005503

Bank Code 003 Transit # 01904

1. I/We have attached a specimen cheque marked "Void" to this authorization. 2. I/We will inform Premium Finance Services Ltd. (the Payee), in writing, of any change in the information provided in this section of the Authorization prior to the next due date of the PAD. 3. I/We acknowledge that the Authorization is provided for the benefit of the Payee and the Processing Member agreeing to process debits against my/our account, as listed herein (the Account) in accordance with the Rules of the Canadian Payments Association. 4. I/We warrant and guarantee that all persons whose signatures are required to authorize withdrawals from the Account have signed the Authorization below (and in the case of a commercial business, are our signing officers and are empowered to enter into this agreement). 5. I/We (as Payor) hereby authorize the Payee to issue Pre-Authorized Debits drawn on the above noted account for ___ months, as indicated under the above noted payment schedule, representing all payments due under this contract. 6. I/We accept this contract document as written notice of the amount to be debited and the dates on which the Payment Amount debited will be posted to my/our account. 7. I/We hereby waive pre-notification of changes to the PAD amount in the case of changes to amounts as covered by this contract or where a Continuous Contract is involved. 8. I/We may cancel the Authorization at any time upon providing written notice to the Payee. 9. I/We acknowledge that provision and delivery of the Authorization to the Payee constitutes delivery by me/us to the Processing Member. Any delivery of the Authorization to the Payee regardless of the method of delivery, constitutes delivery by me/us. 10. I/We acknowledge that the Processing Member is not required to verify that a PAD has been issued in accordance with the particulars of the Authorization including, but not limited to, the amount, or that any purpose of payment for which the PAD was issued has been fulfilled by the Payee as a condition to honouring a PAD issued or caused to be issued by the Payee on the Account. 11. Revocation of the Authorization does not terminate any contract that exists between me/us and the Payee. The Authorization applies only to the method of payment and does not otherwise have any bearing on the contract for services exchanged. 12. I/We may dispute a PAD only (i) if the PAD was not drawn in accordance with the Authorization or (ii) the Authorization is revoked. I/We acknowledge that in order to be reimbursed a declaration to the effect that either (i) or (ii) took place, must be completed and presented to the branch of the Processing Member holding the Account up to and including 90 calendar days (10 calendar days in the case of a business) after the date on which the PAD in dispute was posted to the Account. I/We acknowledge that when disputing any PAD beyond the time allowed in this section, it is a matter to be resolved solely between me/us and the Payee. 13. I/We agree that the information contained in this authorization may be disclosed to Royal Bank of Canada as required to facilitate any PAD issued by the Payee on the Account.
 on 2025-03-12 08:53:04 ADT
 Buyer (Insured) Signature Date 2025-03-11
 Buyer (Insured) Signature Date 2025-03-11

EXHIBIT “H”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Brenton·Kean

LAWYERS AVOCATS

WILLIAM C. KEAN, K.C.

Direct Dial: (506) 646-7505

E-Mail: wck@brentonkean.com

BY EMAIL

March 13, 2025

C.A. Haché Law

20 Marr Road, Suite 300

Rothsay, NB E2E 2R5

ATTENTION: Charles A. Haché (charles@cahachelaw.ca)

(Solicitor for Sandhyaji Resorts Inc.)

Connors Stilwell

401-212 Queen Street

Fredericton, NB E3B 1A8

ATTENTION: Romain Viel, (romaine.viel@connorsstilwell.com)

(Solicitor for Sunhye Chung, Yoon Joo Jim and Vanessa Lim)

Bingham Law

Marven's Place

1 Factory Lane, Suite 310

Moncton, NB, Canada

E1C 9M3

ATTENTION: Edwin G. Ehrhardt, K.C. (egehrhardt@bingham.ca)

(Solicitor for JYSK Holdings Ltd. and James Youm)

Gilbert McGloan Gillis

107 Charlotte Street

Saint John, NB E2L 2J2

ATTENTION: Rodney J. Gillis, K.C., rjgillis@gmglaw.com

(Solicitor for Colliers Macaulay Nicolls Inc.)

Dear Mr. Haché, Mr. Viel, Mr. Ehrhardt and Mr. Gillis:

**Re: Receivership of 686949 N.B. Ltd. (the “Debtor”) and
Deposit of \$50,000 (the “Deposit”) held by Colliers Macaulay Nicolls Inc.
 (“Colliers”)
Our File No.: 19351-009**

We are solicitors to Powell Associates Ltd., Receiver of the Debtor appointed pursuant to a Receivership Order dated February 21, 2025 (the “**Receivership Order**”). **We are writing to advise you that unless we receive any valid objection in writing prior to March 24, 2025, for the reasons set out below, the Receiver intends to:**

Business Address: 75 Prince William Street, 4th floor, Saint John, N.B. Canada E2L 2B2

Mailing Address: P.O. Box 609 Saint John N.B. Canada E2L 4A5

Telephone: (506) 633-2556

Facsimile: (506) 633-5902

- (i) Direct Colliers to release the Deposit to Sandhyaji Resorts Inc. (the “**Deposit Claimant**”);
- (ii) Advise Mr. Hache that the Receiver does not consent to the lifting of the stay in respect of the action and motion concerning the Deposit; and
- (iii) Require the return of \$8,050 paid by the Debtor to Mr. Hache in trust.

At the receivership hearing held on February 21, 2025, the Deposit Claimant requested a declaration that the Deposit Claimant’s settlement agreement with the Debtor had been concluded and that the stay of proceedings against the Debtor should not apply to the Deposit Claimant’s action. Justice Stephenson declined to lift the stay and left it to the Receiver to determine if it wished to consent the lifting of the stay, as contemplated by Section 8 of the Receivership Order.

The Deposit

The Deposit Claimant commenced an action on July 26, 2024 against the Debtor identified as SJC-337-2024. On October 3, 2024, the Debtor was noted in Default. On January 27, 2025, the Deposit Claimant filed a Notice of Motion to enforce a settlement and claimed other alternative relief.

We have reviewed the following documents in respect of this matter:

- Notice of Motion filed on January 27, 2025, by the Deposit Claimant against the Debtor and Colliers, with the supporting Affidavit of Stephanie S. Jardine, dated January 24, 2025;
- Brief filed by Mr. Haché on behalf of the Deposit Claimant; and
- Affidavit of Sunhye Chung dated February 14, 2025, in support of the Receivership Application (the “**Chung Affidavit**”).

Based on the materials we reviewed, we have concluded that the Debtor, and by extension, the Receiver pursuant to the Receivership Order, does not have a valid claim to the Deposit held in trust by Colliers. The materials indicate that the Debtor failed to perform its obligations pursuant to the Asset Purchase Agreement dated May 2023 made between the Deposit Claimant and the Debtor, and that the Deposit Claimant would be entitled to a return of the Deposit.

We understand that the directors other than Mr. Youm have requested Colliers to release the Deposit to the Deposit Claimant, but that Colliers is unwilling to release the Deposit because it received its original instructions from Mr. Youm.

Pursuant to the Receivership Order, the Receiver was appointed as receiver of all assets, undertakings and properties of the Debtor. If the Debtor had a claim to the Deposit, such claim would be made by the Receiver, not Mr. Youm or the other directors of the Debtor. We therefore

expect that the Receiver's notice to Colliers, if and once given, will be sufficient authority for Colliers to release the Deposit to the Deposit Claimant.

There should be no need to continue the action once the Deposit is returned to the Deposit Claimant.

\$8,050 Paid In Trust to Mr. Hache

The materials we reviewed also disclosed a purported settlement amount by the Debtor of \$8,050 held in trust by Mr. Hache. The purported settlement was not concluded as of the date of the receivership because the Deposit was not returned. The Receiver takes the position that the \$8,050 paid in trust by the Debtor remains the property of the Debtor, which is required to be delivered to the Receiver in accordance with the Receivership Order.

In addition to the purported settlement not being concluded, . it is questionable whether or not the purported settlement was properly authorized.

The Chung Affidavit discloses that the authority of the shareholders and directors to act on behalf of the Corporation without Mr. Youm was questioned before the settlement. In particular, on December 3, 2024, Mr. Youm's legal counsel provided the corporate records of the Debtor to Mr. Viel, legal counsel for Debtor shareholders and directors other than Mr. Youm, which disclosed that any meeting of directors required the attendance of James Youm and Sunhye Chung to constitute a quorum, and any quorum of shareholders required the attendance of JYSK Holdings Ltd. and Tokki Holdings Ltd. The materials suggest that Mr. Youm did not participate in the settlement.

Yours very truly,

BRENTON KEAN



William C. Kean, K.C.
WCK/bk

Copy By Email:

Paul Moffett (pmoffett@maritimetrustee.ca)
Powell Associates Ltd. - Receiver

Simon-Pierre Godbout (spgodbout@coxandpalmer.com)

Business Address: 75 Prince William Street, 4th floor, Saint John, N.B. Canada E2L 2B2

Mailing Address: P.O. Box 609 Saint John N.B. Canada E2L 4A5

Telephone: (506) 633-2556

Facsimile: (506) 633-5902

Brenton·Kean

LAWYERS AVOCATS

Cox and Palmer, solicitors for City Hotels NB Ltd.

Scott Wilson (scott.wilson@mcinnescoopnet.com)

McInnes Cooper, solicitors for The Toronto Dominion Bank

Canada Revenue Agency, Insolvency Division, (Devon.Steele@cr-a.gc.ca)

Deanna M. Frappier, K.C., Attorney General of Canada, Department of Justice,
(Deanna.Frappier@justice.gc.ca) & (agg.pgc-arg-brn@justice.gc.ca)

Copy By Mail:

MERIDIAN ONECAP CREDIT CORP.

204-3185 Willingdon Green

Burnaby, British Columbia

V5G 4P3

Business Address: 75 Prince William Street, 4th floor, Saint John, N.B. Canada E2L 2B2

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EXHIBIT “T”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Brenton·Kean

LAWYERS AVOCATS

WILLIAM C. KEAN, K.C.

Direct Dial: (506) 646-7505

E-Mail: wck@brentonkean.com

BY EMAIL

March 26, 2025

Colliers Macaulay Nicolls Inc

Toronto, ON

Attention: Keishia Fernandopulle (Keishia.Fernandopulle@colliers.com)

Corporate Counsel

Dear Ms. Fernandopulle:

**Re: Receivership of 686949 N.B. Ltd. (the “Debtor”) and
Deposit of \$50,000 (the “Deposit”) held by Colliers Macaulay Nicolls Inc.
 (“Colliers”)
Our File No.: 19351-009**

We are solicitors to Powell Associates Ltd., Receiver of the Debtor appointed pursuant to a Receivership Order dated February 21, 2025 (the “Receivership Order”). Attached please find our letter dated March 13, 2025 in respect of the Deposit.

The only correspondence we received in respect of the Deposit was from Mr. Hache setting out the reasons why the Deposit should be returned to his client, Sandhyaji Resorts Inc.

For the reasons set out in our March 13, 2025:

1. we hereby direct Colliers to release the Deposit to Sandhyaji Resorts Inc.; and
2. the Receiver does not consent to the lifting of the stay in respect of the action and motion concerning the Deposit.

Kindly confirm that you will proceed with release of the Deposit.

Yours very truly,

BRENTON KEAN



William C. Kean, K.C.

WCK/bk

Business Address: 75 Prince William Street, 4th floor, Saint John, N.B. Canada E2L 2B2

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Brenton Kean

LAWYERS AVOCATS

Copy By Email:

Paul Moffett (pmoffett@maritimetrustee.ca)
Powell Associates Ltd. - Receiver

Charles A. Haché (charles@cahachelaw.ca)
(Solicitor for Sandhyaji Resorts Inc.)

Romain Viel, (romain.viel@connorsstilwell.com)
(Solicitor for Sunhye Chung, Yoon Joo Jim and Vanessa Lim)

Edwin G. Ehrhardt, K.C. (egehrhardt@bingham.ca)
(Solicitor for JYSK Holdings Ltd. and James Youm)

Simon-Pierre Godbout (spgodbout@coxandpalmer.com)
Cox and Palmer, solicitors for City Hotels NB Ltd.

Scott Wilson (scott.wilson@mcinnescooper.com)
McInnes Cooper, solicitors for The Toronto Dominion Bank

Canada Revenue Agency, Insolvency Division, (Devon.Steele@cra-arc.gc.ca)

Deanna M. Frappier, K.C., Attorney General of Canada, Department of Justice,
(Deanna.frappier@justice.gc.ca) & (agc_pgc_aro-bra@justice.gc.ca)

Copy By Mail:

MERIDIAN ONECAP CREDIT CORP.
204-3185 Willingdon Green
Burnaby, British Columbia
V5G 4P3

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Brenton·Kean

LAWYERS · AVOCATS

WILLIAM C. KEAN, K.C.
Direct Dial: (506) 646-7505
E-Mail: wck@brentonkean.com

BY EMAIL

March 13, 2025

C.A. Haché Law

20 Marr Road, Suite 300
Rothesay, NB E2E 2R5

ATTENTION: Charles A. Haché (charles@cahachelaw.ca)
(Solicitor for Sandhyaji Resorts Inc.)

Connors Stilwell

401-212 Queen Street
Fredericton, NB E3B 1A8

ATTENTION: Romain Viel, (romaine.viel@connorsstilwell.com)
(Solicitor for Sunhye Chung, Yoon Joo Jim and Vanessa Lim)

Bingham Law

Marven's Place
1 Factory Lane, Suite 310
Moncton, NB, Canada
E1C 9M3

ATTENTION: Edwin G. Ehrhardt, K.C. (egehrhardt@bingham.ca)
(Solicitor for JYSK Holdings Ltd. and James Youm)

Gilbert McGloan Gillis

107 Charlotte Street
Saint John, NB E2L 2J2

ATTENTION: Rodney J. Gillis, K.C., rjgillis@gmglaw.com
(Solicitor for Colliers Macaulay Nicolls Inc.)

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Based on the materials we reviewed, we have concluded that the Debtor, and by extension, the Receiver pursuant to the Receivership Order, does not have a valid claim to the Deposit held in trust by Colliers. The materials indicate that the Debtor failed to perform its obligations pursuant to the Asset Purchase Agreement dated May 2023 made between the Deposit Claimant and the Debtor, and that the Deposit Claimant would be entitled to a return of the Deposit.

We understand that the directors other than Mr. Youm have requested Colliers to release the Deposit to the Deposit Claimant, but that Colliers is unwilling to release the Deposit because it received its original instructions from Mr. Youm.

Pursuant to the Receivership Order, the Receiver was appointed as receiver of all assets, undertakings and properties of the Debtor. If the Debtor had a claim to the Deposit, such claim would be made by the Receiver, not Mr. Youm or the other directors of the Debtor. We therefore

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Yours very truly,

BRENTON KEAN



William C. Kean, K.C.
WCK/bk

Copy By Email:

Paul Moffett (pmoffett@maritimetrustee.ca)
Powell Associates Ltd. - Receiver

Simon-Pierre Godbout (spgodbout@coxandpalmer.com)

Business Address: 75 Prince William Street, 4th floor, Saint John, N.B. Canada E2L 2B2
Mailing Address: P.O. Box 609 Saint John N.B. Canada E2L 4A5
Telephone: (506) 633-2556 Facsimile: (506) 633-5902

Brenton · Kean

LAWYERS AVOCATS

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Scott Wilson (scott.wilson@mcinnescooper.com)

McInnes Cooper, solicitors for The Toronto Dominion Bank

Canada Revenue Agency, Insolvency Division, (Devon.Steele@cra-arc.gc.ca)

Deanna M. Frappier, K.C., Attorney General of Canada, Department of Justice,
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Telephone: (506) 633-2556

Facsimile: (506) 633-5902

EXHIBIT “J”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Court File No.: MC-265-2024

IN THE COURT OF KING'S BENCH OF NEW
BRUNSWICK
TRIAL DIVISION
JUDICIAL DISTRICT OF MONCTON

BETWEEN:

15523257 CANADA INC.,

- and -

686949 N.B. LTD.,

PLAINTIFF,

DEFENDANT

NOTICE OF ACTION WITH STATEMENT OF
CLAIM ATTACHED
(FORM 16A)

TO: 686949 NB Ltd.
774 Main Street, 4th Floor
Moncton NB E1C 9Y3

LEGAL PROCEEDINGS HAVE BEEN
COMMENCED AGAINST YOU BY FILING THIS
NOTICE OF ACTION WITH STATEMENT OF
CLAIM ATTACHED.

If you wish to defend these
proceedings, either you or a New Brunswick
lawyer acting on your behalf must prepare
your Statement of Defence in the form
prescribed by the Rules of Court and serve it
on the plaintiff or the plaintiff's lawyer at the
address shown below and, with proof of such
service, file it in this Court Office together with
the filing fee of \$50.00,

- a) if you are served in New Brunswick,
WITHIN 20 DAYS after service on you
of this Notice of Action with Statement
of Claim Attached, or

No. du dossier de la Cour :

COUR DU BANC DU ROI DU NOUVEAU-
BRUNSWICK
DIVISION DE PREMIÈRE INSTANCE
CIRCONSCRIPTION JUDICIAIRE DE MONCTON

ENTRE:



DEMANDERESSE,

et

DÉFENDEUR

AVIS DE POURSUITE ACCOMPAGNÉ D'UN
EXPOSÉ DE LA DEMANDE
(FORMULE 16A)

DESTINATAIRE:

PAR LE DÉPÔT DU PRÉSENT AVIS DE
POURSUIITE ACCOMPAGNÉ D'UN EXPOSÉ DE
LA DEMANDE, UNE POURSUIITE JUDICIAIRE A
ÉTÉ ENGAGÉE CONTRE VOUS.

Si vous désirez présenter une défense
dans cette instance, vous-même ou un avocat
du Nouveau-Brunswick chargé de vous
représenter devrez rédiger un exposé de votre
défense en la forme prescrite par les Règles
de procédure, le signifier au demandeur ou à
son avocat à l'adresse indiquée ci-dessous et
le déposer au greffe de cette Cour avec un
droit de dépôt de 50\$ et une preuve de sa
signification:

- a) DANS LES 20 JOURS de la
signification qui vous sera faite du
présent avis de poursuite accompagné
d'un exposé de la demande, si elle
vous est faite au Nouveau-Brunswick,

ou

- b) if you are served elsewhere in Canada or in the United States of America, WITHIN 40 DAYS after such service, or
- c) if you are served anywhere else, WITHIN 60 DAYS after such service.

If you fail to do so, you may be deemed to have admitted any claim made against you, and without further notice to you, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE.

You are advised that:

- a) you are entitled to issue documents and present evidence in the proceeding in English or French or both;
- b) the plaintiff intends to proceed in the **ENGLISH** language;
- c) your Statement of Defence must indicate the language in which you intend to proceed; and

Where the claim is for a liquidated demand or to recover a debt, with or without interest, insert the following notice:

If you pay to the plaintiff or the plaintiff's lawyer the amount of the plaintiff's claim together with the sum of \$100 for the plaintiff's costs, within the time you are required to serve and file your Statement of Defence, further proceedings will be stayed or you may apply to the court to have the action dismissed.

- b) **DANS LES 40 JOURS** de la signification si elle vous est faite dans une autre région du Canada ou dans les États-Unis d'Amérique, ou
- c) **DANS LES 60 JOURS** de la signification si elle vous est faite ailleurs.

Si vous omettez de le faire, vous pourrez être réputé avoir admis toute demande formulée contre vous et, sans autre avis, JUGEMENT POURRA ÊTRE RENDU CONTRE VOUS

Sachez que:

- a) vous avez le droit dans la présente instance, d'émettre des documents et de présenter votre preuve en français, en anglais ou dans les deux langues;
- b) le demandeur a l'intention d'utiliser **l'ANGLAIS**;
- c) l'exposé de votre défense doit indiquer la langue que vous avez l'intention d'utiliser; et

Si la demande a pour objet la perception d'une somme déterminée ou le recouvrement d'une créance avec ou sans intérêts, ajouter le paragraphe suivant:

Si, dans le délai accordé pour la signification et le dépôt de l'exposé de votre défense, vous payez au demandeur ou à son avocat le montant qu'il réclame, plus 100\$ pour couvrir ses frais, il y aura suspension de l'instance ou vous pourrez demander à la cour de rejeter l'action.

THIS NOTICE is signed and sealed for the
Court of King's Bench by
Sarah Hébert, Clerk of the Court at
Moncton, New Brunswick, on the 9th day of
April, 2024.

**original signed by /
original signé par
Sarah Hébert**

Court _____
Seal _____ (Clerk)

Moncton Law Courts
145 Assomption Boulevard
Moncton NB E1C 0R2

CET AVIS est signé et scellé au nom de la
Cour du Banc du Roi par
_____,
greffière de la Cour à Moncton, Nouveau-
Brunswick, ce _____ jour de
_____ 2024.

Sceau de _____
la Cour _____ (greffière)

Palais de Justice Moncton
145, boulevard Assomption
Moncton NB E1C 0R2

STATEMENT OF CLAIM

1. The Plaintiff, 15523257 Canada Inc., is a corporation incorporated pursuant to the laws of Canada with an office in the City of Québec, Province of Québec, duly authorized to carry on business in New Brunswick.
2. The Defendant, 686949 N.B. Ltd, is a corporation incorporated pursuant to the laws of New Brunswick with an office in the City of Edmundston, Province of New Brunswick.
3. The Defendant owns and operates a hotel in the City of Edmundston, New Brunswick, under the name and style "Travelodge" (the "Business"). The Business is located on lands described as PID 35257328, in the City of Edmundston, New Brunswick.
4. In or about October 2023, representatives of the Plaintiff engaged in negotiations with representatives of the Defendant, for the purchase and sale of the Business. Throughout the negotiations, the Defendant was represented by a real estate agent, Jessi Carrier (the "Agent"). The Defendant represented to the Plaintiff that the Agent had the Defendant's authority to negotiate terms on the Defendant's behalf. The Defendant did not at any time indicate that the Agent's authority was in any way limited.
5. On or about December 20, 2023, the Defendant as Vendor and the Plaintiff as Purchaser entered into an Asset Purchase Agreement (the "Agreement") whereby, subject to the terms of the Agreement, the Plaintiff agreed to buy and the Defendant agreed to sell, the Business, including all assets used in connection with the Business, with the end and intent that the Plaintiff would continue to operate the Business, post-closing.
6. The Plaintiff pleads and relies on the entire Agreement.
7. The purchase price, as defined in the Agreement was \$4,250,000 (the "Purchase Price").
8. Pursuant to section 2 (c)(i) of the Agreement, the Plaintiff agreed to make an initial deposit against the Purchase Price in the amount of \$100,000 (the "Initial Deposit"), on execution of the Agreement.
9. The Initial Deposit was to be held in trust by the Defendant's solicitors, Actus Law. The Plaintiff duly tendered the Initial Deposit, to be held in trust by Actus Law.
10. Pursuant to Section 7 of the Agreement, the parties agreed that obligation of the Plaintiff to complete the purchase of the Business was conditional upon the Plaintiff satisfying itself, on or before 5 p.m. on January 18, 2024 (the "Condition Date"), as to matters relating to the condition of the assets used in connection with the Business, including environmental and title matters, and the financial performance of the Business (the "Initial Conditions").
11. Section 7 of the Agreement provides in material part, as follows:

"If the Purchaser has advised the Vendor by written notice, on or before 5:00p.m. on the Condition Date, that any initial conditions contained in this Article 7. have not been

satisfied in its sole and absolute discretion, then, at the option of the Purchaser, this Agreement may be terminated and thereafter it shall become null and void and of no further force or effect. If the Purchaser has not so advised the Vendor, then all initial conditions are irrevocably waived and the parties shall continue in accordance with the terms of this Agreement and both the Initial Deposit and the Additional Deposit shall become non-refundable as liquidated damages and not as a penalty."

12. Prior to the Condition Date, on January 17, 2024, and in accordance with section 7 of the Agreement, the Plaintiff advised the Agent in writing (the "Notice") that the Initial Conditions had not been satisfied and would not be satisfied prior to the Condition Date.
13. In good faith and in furtherance of the transaction contemplated by the Agreement, the Plaintiff did not immediately terminate the Agreement (as was its right to do) but rather suggested to the Defendant that an extension of the Condition Date would be in order to see if the Plaintiff could satisfy itself in relation to the Initial Conditions. The Plaintiff suggested an extension of the Condition Date to February 8, 2024, to allow further due diligence to be completed.
14. Prior to the expiry of the Condition Date, the Agent confirmed that an extension of the Condition Date would be granted.
15. Counsel to the Plaintiff transmitted the Notice to counsel to the Defendant.
16. After 5 p.m. on the Condition Date, counsel to the Defendant advised counsel to the Plaintiff, in writing, that the Defendant would not extend the Condition Date.
17. On January 18, 2024, counsel to the Plaintiff advised counsel to the Defendant, in writing, that the Agent had already confirmed the extension to the Condition Date.
18. On January 21, 2024, counsel to the Defendant advised counsel to the Plaintiff, in writing, that the Defendant would not grant the extension to the Condition Date. Counsel further advised that the Defendant took the position that the Initial Conditions had been waived and that a further deposit was now due and payable pursuant to the Agreement.
19. On January 22, 2024, counsel for the Plaintiff advised Defendant's counsel, in writing, that in light of contradictory positions taken by the Agent and Defendant's counsel, both acting on behalf of the Plaintiff, the Plaintiff was exercising its right, pursuant section 7 of the Agreement, to terminate the Agreement.
20. The Plaintiff's termination right, which arose upon delivery of the Notice, was exercised after the Plaintiff exhausted all good faith efforts to salvage the transaction.
21. The Defendant refused to return the Initial Deposit.
22. By letter dated February 9, 2024, the Plaintiff (through legal counsel) duly demanded, in writing, return of the Initial Deposit.
23. The Defendant has refused to return the Initial Deposit.

24. The Plaintiff therefore claims:

- a) Return of the Initial Deposit;
- b) Interest on the Initial Deposit in amount to be determined by this Honourable Court;
- c) Damages for loss of opportunity;
- d) Compensatory damages for costs associated with the negotiation, execution and pursuit of the Agreement;
- e) Costs of the within action on a full indemnity basis, together with applicable Harmonized Sales Tax; and
- f) Such further and other relief as to this Honourable Court seems just.

25. The Plaintiff intends to proceed in the English language.

DATED at Moncton, New Brunswick, this 8
day of April, 2024.

FAIT à Moncton, Nouveau-Brunswick, le
2024.



Lawyer for the Plaintiff

Avocat du demandeur

Name of lawyer for plaintiff:

GEORGE L. COOPER, K.C.

Name of firm (if applicable):
COX & PALMER

Business Address:
Blue Cross Centre
644 Main Street, Suite 500
Moncton, NB E1C 1E2

Telephone: (506) 856-9800
Facsimile: (506) 856-8150
Email: gcooper@coxandpalmer.com

File No.: 50068717.00001

Nom de l'avocat du demandeur:

GEORGE L. COOPER, C.R.

Raison sociale (s'il y, a lieu):
COX & PALMER

Adresse professionnelle:
Centre de la Croix Bleue
644, rue Main, bureau 500
Moncton, NB E1C 1E2

Téléphone: (506) 856-9800
Télécopieur: (506) 856-8150
Courriel: gcooper@coxandpalmer.com

No. de dossier:

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK
TRIAL DIVISION
JUDICIAL DISTRICT OF MONCTON

BETWEEN:

15523257 CANADA INC.,

Plaintiff

- and -

686949 N.B. LTD.,

Defendant

DEMAND FOR PARTICULARS
(Form 27L)

TO: The Plaintiff,
15523257 Canada Inc.
c/o George Cooper
Cox & Palmer
644 Main Street, Suite 500
Moncton, NB E1C 1E2

The Defendant, 686949 N.B. Ltd., demands particulars of the following allegations contained in your pleading:


1. Paragraph 14 - particulars of the allegation that "the Agent confirmed that an extension of the Condition Date would be granted" - the time and date of the alleged confirmation, and the manner of the alleged confirmation - verbal or in writing;
2. Paragraph 15 - particulars of the alleged transmittal of "the Notice to counsel to the Defendant" - the time and date of the alleged transmission;

If the particulars requested are not delivered to the undersigned WITHIN 10 DAYS after service of this demand, an application will be made to the court for an order requiring delivery thereof.

DATED at Moncton, New Brunswick, this 7th day of May, 2024.

BINGHAM LAW

Per:


Edwin G. Ehrhardt, K.C.
Solicitor for the Defendant

Bingham Law
Marven's Place
1 Factory Lane, Suite 310
Moncton, NB E1C 9M3
Telephone: (506) 857-8856
Facsimile: (506) 857-2017
E-Mail: egehrhardt@bingham.ca
File No.: MAT41003

IN THE COURT OF KINGS BENCH OF NEW BRUNSWICK
TRIAL DIVISION
JUDICIAL DISTRICT OF MONCTON

BETWEEN:

15523257 CANADA INC.,

Plaintiff,

- and -

686949 N.B. LTD.,

Defendant.

STATEMENT OF PARTICULARS
(FORM 27M)


TO: The Defendant, 686949 N.B. Ltd.
c/o Edwin G. Ehrhardt, K.C.
Bingham Law, Marven's Place
1 Factory Lane, Suite 310
Moncton, NB E1C 9M3

With respect to the Demand for Particulars issued by the Defendant, 686949 N.B. Ltd. on May 7, 2024, the particulars demanded are as follows:

1. With respect to paragraph 1 of the Demand for Particulars, the Agent's confirmation of the extension was confirmed by telephone on January 18, 2024, at 3:00 p.m.
2. With respect to paragraph 2 of the Demand for Particulars, the Notice, having initially been sent to the Agent on January 17, 2024, was transmitted to counsel to the Defendant via email on January 18, 2024, at 6:02 p.m.

DATED at Moncton, NB this 17th day of May 2024.

COX & PALMER

For: 
George L. Cooper
Solicitors for the Plaintiff,
15523257 Canada Inc.

COX & PALMER
Blue Cross Centre
644 Main Street, Suite 500
Moncton, NB E1C 1E2

Telephone: (506) 856-9800
Facsimile: (506) 856-8150
gcooper@coxandpalmer.com

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

BETWEEN:

15523257 CANADA INC.,

Plaintiff,

-and-

686949 N.B. LTD.,

Defendant.

STATEMENT OF DEFENCE

(Form 27A)

1. The Defendant, 686949 N.B. Ltd. admits paragraphs 1, 2, 3, 5, 6, 7, 8, 9, and 11 of the Statement of Claim, but denies each and every other allegation contained therein as if each were hereinafter set forth and traversed seriatim.
2. As to paragraph 4 of the Statement of Claim, the Defendant states that it did not represent to the Plaintiff, as alleged or at all, that the Agent had the Defendant's authority to negotiate terms on the Defendant's behalf.
3. As to the Statement of Claim as a whole, the Defendant states:
 - (a) The Agent did not have the authority, either actual, implied or ostensible to extend the Condition Date as alleged, or at all;
 - (b) The Agent at no time confirmed the extension of the Condition Date, as alleged, or at all;
 - (c) The Agreement specifically provided (clause 13(g)), that any notice, consent, waiver, direction, or other communication required or permitted to be given under the Agreement by a party to any other party shall be in writing and shall be delivered by facsimile, electronic transmission and/or registered mail addressed to the party to whom the Notice is to be given, in particular with respect to the Vendor, to Marie-Christine Pierre at Actus Law Droit.
 - (d) Further, the Agreement specifically provided (clause 13(j)) that the Agreement constituted the entire agreement between the parties. There

were no oral representations or collateral agreements among the parties of any kind related to the subject matter of the Agreement, and it could not be amended or modified in any respect except by written instruments signed by all parties.

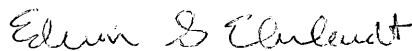
(e) The Plaintiff did not give appropriate notice as provided for in the Agreement, as aforesaid, to counsel for the Defendant on or before 5 p.m. on January 18, 2024.

(f) Accordingly, the \$100,000.00 initial deposit became non-refundable, as liquidated damages, and the Defendant has no obligation to return the initial deposit.

4. Further, the Defendant denies the Plaintiff is entitled to the remedies as set forth in paragraph 24 of the Statement of Claim, or at all, and puts the Plaintiff to the strict proof thereof.
5. The Defendant accordingly requests that the Plaintiff's action be dismissed with costs.

The Defendant intends to proceed in the English language.

DATED at Moncton, New Brunswick, this 24th day of May, 2024



Edwin G. Ehrhardt K.C.
Solicitors for the Defendant,
686949 N.B. Ltd.

Bingham Law
Marven's Building
310-1 Factory Lane,
Moncton, New Brunswick
E1C 9M3
Tel: 506.857-8856
Fax: 506.857-2017
MAT41003

Court File Number: MC-265-2024

Numéro du dossier:

IN THE COURT OF KING'S BENCH OF NEW
BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

BETWEEN:

15523257 CANADA INC.

AND:

686949 N.B. LTD.,

PLAINTIFF,

DEFENDANT

DANS LA COUR DU BANC DU ROI DU NOUVEAU-
BRUNSWICK

DIVISION DE PREMIERE INSTANCE
CIRCONSCRIPTION JUDICIAIRE DE

ENTRE:

DEMANDEUR,

ET:

DÉFENDERESSES.

DÉFENEUR.

NOTICE REQUIRING AFFIDAVIT
OF DOCUMENTS
(Form 31A)

AVIS DE PRODUCTION D'UN
AFFIDAVIT DES DOCUMENTS
(Formule 31A)


TO: The Plaintiff
15523257 Canada Inc.
c/o George Cooper,
Cox & Palmer
644 Main Street, Suite 500
Moncton, NB E1C 1E2

DESTINATAIRE :

The Defendant, 686949 N.B. Ltd. requires within 10 days after receipt of this notice, you file and serve an Affidavit of Documents (Form 31B) in accordance with Rule 31.03(2).

Les défendeurs requièrent que dans les 10 jours de la réception du présent avis, vous déposiez et signifiez un affidavit des documents (formule 31B) conformément à la règle 31.03(2).

DATED at Moncton, N.B., this 23rd day of May, 2024. FAIT à Moncton, N.-B., le ____ jour de ____ 2024.



Edwin G. Ehrhardt K.C.
Solicitor for the Defendant,
686949 N.B. Ltd.

Avocate des défendeurs

BINGHAM LAW
310-1 Factory Lane
Moncton, NB E1C 9M3
Telephone: 857-8856
Facsimile: 857-2017
Email: egehrhardt@bingham.ca
File: mat41003

EXHIBIT “K”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Paul Moffett

From: Paul Moffett
Sent: Tuesday, February 25, 2025 2:18 PM
To: 'James@cysp.ca'
Cc: egehrhardt@bingham.ca
Subject: 686949 N.B. Ltd - Receivership and Request for Information
Attachments: Information Request.pdf; 250221 Receivership Order.pdf

Good afternoon Mr. Youm,

As we understand it, you have engaged Mr. Edwin (Ted) Ehrhardt as counsel. We have cc'd Ted. If you have engaged different counsel, please advise us.

As you are no doubt aware, on February 21, 2025 Powell Associates Ltd. ("PAL") was appointed by the New Brunswick Court of Kings Bench as receiver over the assets and undertakings of 686949 N.B. Ltd. ("686949"). Attached is a copy of the Court Order (the "Order") for your files. Please note paragraphs 4, 5, and 6.

We are advised that you had and still have control of 686949's books and records. As such, please find the attached 'Information Request.pdf' which outlines the information and documentation that we require from you as soon as possible. We ask that you make item number 1 (a list of all creditors of 686949) your first priority and that it be provided within 48 hours of this email.

We will very likely have further requests of you at a later time and by way of separate emails.

If you or your counsel wishes to discuss this or any other matter relating to the affairs or dealings of 686949, please do not hesitate to contact me.

Yours truly,

Paul Moffett, MBA, CIRP, LIT
D : 506.638.9131 | F : 506.638.1428 | pmoffett@maritimetrustee.ca

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee
T: 506.638.9220 | F: 506.638.1428 | www.maritimetrustee.ca
302-133 Prince William St., Saint John, NB, E2L 2B5



Information Request

1. A complete list of **ALL** creditors (trade, secured, and unsecured, lessors) complete with addresses and approximate balances owing. Please provide the list in Excel format broken down into individual columns with the following headings. Note: those items marked in **bold** are essential.
 - a. **Creditor name** | Account Number | **Street Address** | **City** | **Province** | **Postal Code** | Phone Number | Fax Number | **Amount owing**
2. All as at today's date, for the Company and any subsidiary (or partially owned) companies:
 - a. G/L trial balance.
 - b. Balance sheet.
 - c. Year-to-date income statement.
 - d. Aged accounts receivable.
 - e. Aged accounts payable.
3. Last externally prepared financial statements.
4. For any year-end occurring after the date of the last externally prepared financial statements, provide internal year-end balance sheet and income statement.
5. Business plans completed within the last two years and most recent cash flow forecast.
6. Summary of all contracts in-progress including, for each contract:
 - a. Name and contact information for general contractor or customer.
 - b. Nature of contract work.
 - c. Gross current contract amount including approved change orders. Identify any change orders under negotiation/dispute that have not yet been approved.
 - d. Percentage complete.
 - e. Original estimated contract costs.
 - f. Contract costs incurred to-date.
 - g. Up-to-date estimate of costs to complete.
 - h. Amount invoiced to-date.
 - i. Amount received to-date.
 - j. Holdbacks receivable together with an explanation of the expected timing of receipt and any potential setoffs or disputes that may impact collection.
 - k. Holdbacks payable to subcontractors – names and amounts.
7. Payroll source deductions – provide the following for each payroll remittance account:
 - a. T4 Summary and CRA statement (Tax Deduction, Canada Pension Plan and Employment Insurance Discrepancy Notice) for the prior calendar year.

- b. Year-to-date payroll summary showing employee withholdings and employer amounts.
 - c. Most recent statement from CRA showing amounts remitted to-date.
 - d. Confirmation of any remittance made after the foregoing CRA statement.
 - e. CRA audit report for any payroll audit completed within the last two years.
- 8. HST – for each remittance account, provide the following:
 - a. Most recent HST filing and supporting documentation.
 - b. Most recent Notice of Assessment.
- 9. Wage claims – provide a summary of last payroll listing each employee, wages owing and vacation pay owing. The last payroll register may provide this information.
- 10. Fixed assets & premises – provide the following:
 - a. List of all locations where company assets are located. Indicate the nature of each location – owned land or premises, rented premises, job site or other. For owned lands, provide PID number.
 - b. Detailed list of all company assets (equipment, vehicles, trailers) including make, model and serial numbers.
 - c. Details of all assets sold, disposed of or transferred within the last year including the name of the purchaser/transferee and the amount of proceeds and how those proceeds were determined.
 - d. Details of equipment specific financing – lender’s name, copy of contract, description of equipment (if not in contract), status of payments.
- 11. Insurance – provide a copy of the summary of current insurance coverage.
- 12. Appraisals – provide copies of any real estate or equipment appraisals in the Company’s possession or control.
- 13. Environmental – provide copies of any environmental surveys or reports regarding Company owned property that are in the Company’s possession or control.

EXHIBIT “L”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Paul Moffett

From: William Kean <wck@brentonkean.com>
Sent: Thursday, March 13, 2025 1:52 PM
To: Edwin G. Ehrhardt
Cc: Paula Gray; Paul Moffett
Subject: RE: 686949 N.B. Ltd - Receivership and Request for Information

Thanks again Ted. It is as follows, and Paul is copied.

Paul Moffett, MBA, CIRP, LIT
D : [506.638.9131](tel:506.638.9131) | F : [506.638.1428](tel:506.638.1428) | pmoffett@maritimetrustee.ca

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee
T: [506.638.9220](tel:506.638.9220) | F: [506.638.1428](tel:506.638.1428) | www.maritimetrustee.ca
302-133 Prince William St., Saint John, NB, E2L 2B5

William (Bill) C. Kean, K.C.*
Partner
Brenton Kean
Lawyers - Avocats
Direct Tel: (506) 646-7505
Direct Fax: (506) 693-1166
Email: wck@brentonkean.com

** Practising through William Kean Professional Corporation*

This e-mail is confidential and may be privileged. Unauthorized disclosure is prohibited. If you have received this in error, kindly notify us. Please then delete this message and any attachments from your records. Thank you.

Ce courriel est confidentiel. L'usage non autorisé de cette transmission est strictement interdit. Si vous avez reçu ce message par erreur, veuillez s'il-vous-plaît nous aviser et détruire les documents envoyés sans en faire copie. Merci.

From: Edwin G. Ehrhardt <egehrhardt@bingham.ca>
Sent: March 13, 2025 1:50 PM
To: William Kean <wck@brentonkean.com>
Cc: Paula Gray <pgray@bingham.ca>
Subject: Re: 686949 N.B. Ltd - Receivership and Request for Information

CAUTION: This email originated from outside the organization. Do not click links or open any images unless you recognize the sender and know the content is safe.

Bill, could you send me complete contact information for the receiver so I can email these to Mr. Youm-I have a phoned and left a message for him telling him to contact the receiver immediately – I was not able to speak with him directly today, and I want to ensure he has all of the contact info.
Sent from my iPhone

On Mar 10, 2025, at 3:52 PM, Edwin G. Ehrhardt <egehrhardt@bingham.ca> wrote:

I was finally able to speak with him today and impressed on him the necessity of contacting the Receiver and cooperating fully-let me know if the Receiver has not heard from him by end of day Wednesday.
Sent from my iPhone

On Mar 10, 2025, at 1:45 PM, William Kean <wck@brentonkean.com> wrote:

This is an external email.

Hi Ted, I am following up to see if we should expect to receive a reply from Mr. Youm.
Regards,
Bill

William (Bill) C. Kean, K.C.*
Partner
Brenton Kean
Lawyers -
Avocats

Direct Tel: (506) 646-7505
Direct Fax: (506) 693-1166
Email: wck@brentonkean.com

** Practising through William Kean Professional Corporation*

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From: William Kean
Sent: February 27, 2025 4:27 PM
To: Edwin G. Ehrhardt <egehrhardt@bingham.ca>
Cc: Paul Moffett <pmoffett@maritimetrustee.ca>
Subject: FW: 686949 N.B. Ltd - Receivership and Request for Information

Hi Ted,
I am solicitor to the Receiver, and I received a copy of the email below sent to James Youm, in which you were copied. The Receiver has received no reply. Are you able to advise if your client will be providing the requested information either directly or through you?
Regards,
Bill Kean

William (Bill) C. Kean, K.C.*
Partner

Brenton Kean
Lawyers -
Avocats

Direct Tel: (506) 646-7505
Direct Fax: (506) 693-1166
Email: wck@brentonkean.com

** Practising through William Kean Professional Corporation*

From: Paul Moffett
Sent: Tuesday, February 25, 2025 2:18 PM
To: 'James@cysp.ca' <James@cysp.ca>
Cc: egehrhardt@bingham.ca
Subject: 686949 N.B. Ltd - Receivership and Request for Information

Good afternoon Mr. Youm,

As we understand it, you have engaged Mr. Edwin (Ted) Ehrhardt as counsel. We have cc'd Ted. If you have engaged different counsel, please advise us.

As you are no doubt aware, on February 21, 2025 Powell Associates Ltd. ("PAL") was appointed by the New Brunswick Court of Kings Bench as receiver over the assets and undertakings of 686949 N.B. Ltd. ("686949"). Attached is a copy of the Court Order (the "Order") for your files. Please note paragraphs 4, 5, and 6.

We are advised that you had and still have control of 686949's books and records. As such, please find the attached 'Information Request.pdf' which outlines the information and documentation that we require from you as soon as possible. We ask that you make item number 1 (a list of all creditors of 686949) your first priority and that it be provided within 48 hours of this email.

We will very likely have further requests of you at a later time and by way of separate emails.

If you or your counsel wishes to discuss this or any other matter relating to the affairs or dealings of 686949, please do not hesitate to contact me.

Yours truly,

Paul Moffett, MBA, CIRP, LIT
D : 506.638.9131 | F : 506.638.1428 | pmoffett@maritimetrustee.ca

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee
T: 506.638.9220 | F: 506.638.1428 | www.maritimetrustee.ca
<[image003.png](#)>
302-133 Prince William St., Saint John, NB, E2L 2B5

<[image003.png](#)>

EXHIBIT “M”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Paul Moffett

From: James Youm <james@cysp.ca>
Sent: Thursday, March 13, 2025 8:08 PM
To: Paul Moffett
Cc: egehrhardt@bingham.ca
Subject: Re: 686949 N.B. Ltd - Receivership and Request for Information

Hi Paul, I do not have control of books and records.

Just for your future reference, I have serious illness that I am not able to reply in timely manner.

thank you Paul

On 2/25/2025 11:17 AM, Paul Moffett wrote:

Good afternoon Mr. Youm,

As we understand it, you have engaged Mr. Edwin (Ted) Ehrhardt as counsel. We have cc'd Ted. If you have engaged different counsel, please advise us.

As you are no doubt aware, on February 21, 2025 Powell Associates Ltd. ("PAL") was appointed by the New Brunswick Court of Kings Bench as receiver over the assets and undertakings of 686949 N.B. Ltd. ("686949"). Attached is a copy of the Court Order (the "Order") for your files. Please note paragraphs 4, 5, and 6.

We are advised that you had and still have control of 686949's books and records. As such, please find the attached 'Information Request.pdf' which outlines the information and documentation that we require from you as soon as possible. We ask that you make item number 1 (a list of all creditors of 686949) your first priority and that it be provided within 48 hours of this email.

We will very likely have further requests of you at a later time and by way of separate emails.

If you or your counsel wishes to discuss this or any other matter relating to the affairs or dealings of 686949, please do not hesitate to contact me.

Yours truly,

Paul Moffett, MBA, CIRP, LIT
D : 506.638.9131 | F : 506.638.1428 | pmoffett@maritimetrustee.ca

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee
T: 506.638.9220 | F: 506.638.1428 | www.maritimetrustee.ca



302-133 Prince William St., Saint John, NB, E2L 2B5

EXHIBIT “N”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. 001

AMOUNT \$ 15,163.21

- i. THIS IS TO CERTIFY that Powell Associates Ltd., the receiver (the "Receiver") of the assets, undertakings and properties 686949 NB Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Court of King's Bench of New Brunswick (the "Court") dated the 21st day of February, 2025 (the "Order") made in an action having Court file number SJM/31/ 2025 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 15,163.21, being part of the total principal sum of \$ 250,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.
- ii. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [~~daily~~] monthly not in advance on the 14th day of each month] after the date hereof at an interest rate of 8 per cent (8.00%) annum.
- iii. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such

825
21/02/25
K3

Property in respect of its remuneration and expenses.

- iv. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at City Hotels NB Ltd,
106 Airport Road, St. John's, NL A1A 1Y3
- v. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- vi. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
- vii. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the 14th day of March, 2025.

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

Per: _____

Name: Paul Moffett CIRP, LIT

Title: Vice President

EXHIBIT “O”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

INVOICE

Receivership of 686949 N.B. Ltd.
 c/o Powell Associates Ltd.
 302-133 Prince William Street
 Saint John, NB E2L 2B5

Date: Mar 26/25
 Invoice No: 25-106
 File No: 51-126532
 BR: PMoffett

Re: 686949 N.B. Ltd. – Court Appointed Receivership

This invoice is for professional fees and expenses rendered from January 2, 2025 to March 25, 2025, as are more particularly described in the attached Details of Professional Time.

	Hours	Rate	Total
Professional Time			
Robert W. Powell, LIT	6.50	\$ 425.00	\$ 2,762.50
Angela Rodgers, CIRP, LIT	0.30	\$ 425.00	127.50
Paul Moffett, CIRP, LIT	63.50	\$ 425.00	26,987.50
David Moffatt, Senior Insolvency Administrator	19.40	\$ 275.00	5,335.00
	<u>89.70</u>		<u>35,212.50</u>
Expenses			
Searches			3.00
Meals			37.01
Mileage			626.60
			<u>666.61</u>
Total Professional Time and Expenses			35,879.11
HST @ 15%			<u>5,381.87</u>
THIS INVOICE			<u>\$ 41,260.98</u>

PAYMENT BY EFT OR WIRE TRANSFER

Bank | SWIFT: Royal Bank of Canada, 169 Hampton Road, Quispamsis, NB, E2E 2R3, (506) 849-5555 | ROYCCAT2

Bank | Transit | Account | Account Name: 003 | 01904 | 1005503 | Powell Associates Ltd.

HST NUMBER: 83792 9207

Accounts are due when rendered. Interest at 1.5% per month will be charged from the invoice date on accounts unpaid after 20 business days.

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee

302-133 Prince William St., Saint John, NB, E2L 2B5

T: 506.638.9220 | F: 506.638.1428 | mail@maritimetrustee.ca

Details of Professional Time
686949 N.B. Ltd. - Court Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
02-Jan-2025	Moffett, Paul	1.6	EMs t/f RViel. Land titles searches and review results. TDw RViel. Review BIA to look for solutions to bankrupt company without a creditor being involved. TDw RWP. Review NB Standard Order.
02-Jan-2025	Powell, Robert	0.7	tdw PDM re potential file
15-Jan-2025	Moffett, Paul	0.3	Follow up call with RViel. Follow up email.
17-Jan-2025	Moffett, Paul	0.1	EMs t/f RWP re possible legal counsel.
17-Jan-2025	Powell, Robert	0.1	ems w PM re legal counsel for receivership appointment
20-Jan-2025	Moffett, Paul	3.3	Review draft materials, order, affidavit. TDw RViel re same and provide comment. TDw RWP to review materials. follow up EMt RViel.
20-Jan-2025	Powell, Robert	0.4	tdw PDM re proposed form of appointment order and file issues
23-Jan-2025	Moffett, Paul	0.7	Several TDs and EMs t/f SPGodbout and RViel re appointment and options for same. TDw and EM t/f RWP.
23-Jan-2025	Powell, Robert	0.2	ems and tdw PDM re engagement
05-Feb-2025	Moffett, Paul	0.6	Review materials relating to Saint John Matter (Sandhyagi). EMs t/f SPGodbout re sealing orders etc for purchase prices of former sales attempts.
06-Feb-2025	Moffett, Paul	0.5	TDw SPGodbout re admin charge, borrowing charge, and re sales process. Read draft affidavit of SSparkes and provide comments to SPG.
07-Feb-2025	Moffett, Paul	0.2	EMs t/f SPG re application for receiver and TD debts and security.
11-Feb-2025	Moffett, Paul	0.4	Final review of Appointment Order. Receive materials for application, review same. EM to confirm receipt. EM re need for consent to act.
12-Feb-2025	Moffett, Paul	0.4	TDw Cooperators re coverage from appointment date forward. EMs t/f Cooperators re same.
18-Feb-2025	Moffatt, David	0.2	Prep and make payment to superior propane
18-Feb-2025	Moffett, Paul	0.3	Receive and review Affidavit of Schung. EM to RViel and SPG re same.
19-Feb-2025	Moffett, Paul	0.6	TDw RWP re insurance, snow, sales process, property management, court hearing, public record. EMt FCA insurance re automatic coverage.
20-Feb-2025	Moffett, Paul	1.0	TDw SPG re order and preparations for court hearing. Final review of court order. Numerous TDs and EMs with FCA and Cooperators re continued coverage. EM t/f SPG re Sandhyagi Resorts.
21-Feb-2025	Moffett, Paul	4.1	Travel t/f Sussex/Saint John for court hearing. Preparations for court hearing. Preliminary discussion with counsel re insurance and likely engagement. EMt BKean with information for conflict check. LT insurer with negative response letter. Insurance survey form and vacancy questionnaire. Pre-emptive draft of EMt FCA insurance re same. Attend discharge hearing. Engage counsel and send same materials re Colliers matter. Further TD's, VMs, and EMs regarding insurance coverage. File admin.
24-Feb-2025	Moffett, Paul	12.5	Travel from Sussex NB to Edmundston and return. Take possession of hotel and detailed review of same. Meeting with LChung.
25-Feb-2025	Moffatt, David	0.2	tdw PDM to get up to speed re potential WEPP requirements.
25-Feb-2025	Moffatt, David	0.2	request new bank account from versabank.
25-Feb-2025	Moffatt, David	0.1	Rec confirmation from versabank re bank account opening.

Details of Professional Time
686949 N.B. Ltd. - Court Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
25-Feb-2025	Moffett, Paul	3.8	Request to open new trust account. File admin relating to yesterday's visit. EM re snow removal and invoicing going forward. Receive notification re propane fill up. TDw City of Edmundston re service going forward. EM EMs t/f Cooperators re insurance coverage. Multiple EMs to LChung re requests for information relating to corporation, employees, hotel, notices for doors, payroll source deductions, boilers, franchisor, pest control. EMt JYoun & Counsel re request for information. Lengthy TDw counsel re franchise, insurance, tenant, SISP order, boiler lease, APS deposit pre appointment, Municipalities act, appraisals. EM counsel with PPSA search.
26-Feb-2025	Moffatt, David	0.2	Prep and make payment to superior propane
26-Feb-2025	Moffett, Paul	0.1	Review, approve, and send for payment invoice for propane.
27-Feb-2025	Moffett, Paul	2.5	Review lease information and emails provided by LChung re boilers, Canlease & Carmichaels. EMt same parties. Follow up with LChung re tenant. EMt Franchisor. cursory review of franchise agreement and statements of account from same. EMs t/f TBosse re interest in property. Begin interested parties list. Request quotes for appraisals for both real estate and contents. EM responses to emails re same. TDw Castle Appraisals re clarification. TDw RWP re update on file and re boilers, insurance, tenant, JYoun. Several EMs t/f counsel re CRO, JYouns compliance with request, registering receivership on title, sharing Schung's affidavit. VMt potential tenant. Request bank statements from TD bank.
27-Feb-2025	Moffett, Paul	0.3	Evening phone calls with Co-operators re quoted insurance.
27-Feb-2025	Powell, Robert	0.5	dw PDM re insurance, real estate and equipment appraisals, MeridianOne Cap lease for boilers, lack of response from Yuma re financial info.
28-Feb-2025	Moffatt, David	0.1	emf LChung re WEPPA who acknowledged receipt of list.
28-Feb-2025	Moffatt, David	1.5	Create landing page on maritimetrustee.ca website and upload receivership order; tdw PDM to be brought up to speed on file ahead of his vacation.
28-Feb-2025	Moffett, Paul	3.0	EMt Elliot insurance re information required for new quote for insurance. Lengthy TDw JElliot re comparing insurance coverage and re quote for same. EMs from RViel and BKeane re past sales and deposits. TDw RWP re insurance and EMs t/f cooperators re same. Receive and compile appraisal quotes; EM to De Stetchers to award same and arrangements for visit. TDw MSloat re quote for equipment appraisal and timing if awarded. EMs t/f LChung re payment relating to boilers. EMt LChung re domestic water. Review correspondence from ACOA. Review correspondence from City of Edmundston. TDw DMoffatt with instructions on matters while I am away on vacation
28-Feb-2025	Powell, Robert	0.1	dw PDM re insurance and other file matters
03-Mar-2025	Moffatt, David	0.1	emf LChung with some employee info, briefly reviewed and replied to him asking for further contact info of employees.
03-Mar-2025	Moffatt, David	1.5	Review file and court order for known creditors, draft s245-246 report, brief tdw RWP re the same, and send draft to RWP for review.
03-Mar-2025	Moffatt, David	0.8	find contact details for and send notices out to OSB, debtor company, and known and/or suspected creditors.

Details of Professional Time
686949 N.B. Ltd. - Court Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
03-Mar-2025	Powell, Robert	0.3	dw DM; review and amend s245/6 notice of receiver
04-Mar-2025	Moffatt, David	0.4	emf ACOA to see if there is a stay of proceedings, reviewed court order and responded re the same; tdw Colin from Elliott insurance re insurance application, emt him re the same.
04-Mar-2025	Moffatt, David	0.2	emf THagel of travelodge; responded re whether we intended to operate hotel.
04-Mar-2025	Moffatt, David	0.2	emt LChung to request a call re domestic water shutoff.
04-Mar-2025	Moffatt, David	0.1	emf postmedia confirming release of media.
05-Mar-2025	Moffatt, David	0.3	Complete EIS and send to the OSB.
05-Mar-2025	Moffatt, David	0.1	emt LChung to determine if water supply meter is located on the outside of the building or on the inside.
05-Mar-2025	Moffatt, David	0.7	Call to obtain emails for previous employees who we did not have emails for; send termination letter to employees via email; prep mailings for tomorrow.
05-Mar-2025	Moffatt, David	0.3	Begin reviewing employee docs provided by LChung for WEPPA purposes, sent emt LChung re the same; began data input into WEPPA spreadsheet.
05-Mar-2025	Moffatt, David	1.0	tdw RWP re employees and WEPPA calculation for termination pay; take notes re the same; lvm with labour standards; began drafting termination letter to employees; tdw with labour standards re calculation of termination pay and requirement to advise minister; tdw LChung re employee details and water supply, take notes re the same, brief tdw RWP re termination notice requirements and water supply, finalized employment termination letter.
06-Mar-2025	Moffatt, David	1.8	mailed out termination + weppa letter to employees without emails; vmf ALeGuen, employee of debtor, resent termination + weppa letter; continued data entry for WEPPA; Considered related party concerns, reviewed BIA re the same; received emf CBrewer of Elliot Insurer re estimated insurance quote, tdw him re the same, sent emt PDM re conversation; emf LCyr - employee - I responded; response received from PDM re insurance, reviewed FCA application to ensure proper and sent to FCA to obtain quote.
06-Mar-2025	Moffatt, David	1.0	Continued calculation of average payroll in last 6 months for WEPPA.
06-Mar-2025	Moffatt, David	0.3	rec and review OSB certificate of filing with estate number, call from OSB re error they made on certificate of filing, rec and review amended OSB certificate of filing and insert estate number in Ascend and update WEPPA docs.
07-Mar-2025	Moffatt, David	0.2	finalize draft to Minister of labour standards re termination of more than 10 employees and send to minister.
07-Mar-2025	Moffatt, David	0.1	emf AColuccio of FCA with question re pool; responded.
10-Mar-2025	Moffatt, David	0.3	tdw PDM to update him on activities while he was away.
10-Mar-2025	Moffett, Paul	2.4	Various EMs during vacation. TDw DMoffatt re update on matters dealt with while on vacation. EMt TBosse re snow removal and propane tanks. Numerous EMs and TDs re insurance coverage. EMs DMoffatt re void cheque for same. TDw RWP re insurance etc. Follow up and engage MSloat to appraise contents. Arrangements for access re same. TDw BKeane re insurance, JYoum, SISP order application. TDw DBoyd re CBRE, Colliers, and Cushman & Wakefield.

Details of Professional Time

686949 N.B. Ltd. - Court Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
10-Mar-2025	Powell, Robert	0.3	dw PDM re insurance, sale process, claims process
11-Mar-2025	Moffett, Paul	1.4	TDw BKeane and review of letter re \$50,000 deposit with Colliers and stay of proceedings. Review financing agreement for insurance premiums. EMs to 4 national real estate firms and EMs and TDs with same re RTP's for SISP. EMs t/f BKeane re non-response from JYoun.
12-Mar-2025	Moffatt, David	0.2	Forwarded bank statements received from BKeane re TD accounts; responded to email from Alexandre Le Guen (past employee of debtor company)
12-Mar-2025	Moffatt, David	0.4	tdw Worksafe NB re form 100; emt worksafe re the same.
12-Mar-2025	Powell, Robert	2.3	Review bank statements for 2024 and EMt SWilson with questions for TD bank re same. Review and execute documents to bind insurance. TDw RWP re \$50,000 and counsel's draft letter. EMt counsel re same and with comments on changes to draft. Review final draft and EMt counsel re same. TDs with realtors re SISP proposals and EMs with information as available. TDw prop mgr re roof update, water, no tenant, propane access, appraisers access, and financial info for realtors. EMs t/f propane supplier. TDw SPGodbout with update on administration. EMt mortgage lender with update on receivership administration.
12-Mar-2025	Powell, Robert	0.2	review draft letter / opinion re \$50K deposit; dw PDM re same
13-Mar-2025	Moffett, Paul	2.8	Receive and review new insurance policy. EMs t/f new insurance provider re term of policy, dates and amounts of payments. EMs from Worksafe NB re Assessable Earnings. EMs t/f counsel and TEhrhardt re information not forthcoming from JYoun. EMs re counsel letter re \$50,000 deposit re Sandhyagi. EMs t/f City Hotels re update on proceedings and re sale process and timing. TDw SPGodbout re same and re SISP Order and discuss advantages of a bankruptcy. EMs t/f various realtors re info for SISP proposals. F/up with LChung re occupancy reports. TDw counsel re various matters. EMf Meridian One; review same and forward to counsel. Review pleadings in relation to 'Moncton Matter' (\$100,000 deposit). Receive and review property tax certificate. Register receivership on PPSA. Notice to NB Corporate Registrar re receivership. Prepare draft of receiver's certificate.
13-Mar-2025	Powell, Robert	0.2	review acctg re transfer of funds from Agent acct; approve payments included PNB re receivership reg; sign cheques
14-Mar-2025	Moffatt, David	1.2	Finalized WEPPA data entry; produced POCs and scheduled time with PDM to review; rec lf minister of labour standards re, reviewed.
14-Mar-2025	Moffett, Paul	0.9	Receive and review occupancy reports from LChung. Draft, send, receive NDA for Avison Young. Send occupancy reports. EMs t/f Cushman Wakefield re SISP proposal and extension of time. EMs t/f insurance broker re upcoming payments. Ems t/f LChung re Rogers and Bell. Ems t/f MeridianOneCap re order, receivership, and stay of proceedings.
17-Mar-2025	Moffatt, David	0.2	Prep and make payment to Minister of Finance.
17-Mar-2025	Moffatt, David	0.5	Reviewed WEPPA file with PDM.

Details of Professional Time
686949 N.B. Ltd. - Court Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
17-Mar-2025	Moffett, Paul	4.4	EMs t/f LChung re domestic water. TDw equipment appraiser re water tank and timing of appraisal. EM room list to same. EMt Meridian OneCap requesting payout of water tank lease. EMt City Hotels with receiver's certificate. cursory review of SISP proposal from Colliers. 1st draft of Receiver's first report to Court excluding SISP related matter.
18-Mar-2025	Moffatt, David	0.5	vmf MLeDrew of WEPPA; tried connecting with him, lvm; tdw MLeDrew with WEPPA.
18-Mar-2025	Moffatt, David	0.2	emf DLavoie of WorkingNB, responded.
18-Mar-2025	Moffett, Paul	2.8	dw RWP re SISP, Youm and first report to Court. Review, compare, contrast SISP proposals received to date. EMs to all SISP proposal submissions seeking call back. TDw Colliers re SISP Proposal.
18-Mar-2025	Powell, Robert	0.6	dw PDM re SISP, Youm and first report to Court
19-Mar-2025	Moffatt, David	1.7	re-draft letter to employees, send estate submission to WEPPA, and finalized employee submissions to WEPPA.
19-Mar-2025	Moffatt, David	0.2	Post and make payment to Superior Propane.
19-Mar-2025	Moffett, Paul	2.8	File Admin. Review, approve, send invoice for payment for Superior Propane. Receive and review LT CHache re Sandhyaji matter. Begin actual and forecasted weekly cashflow. TDs with both CBRE and Avison Young regarding SISP proposals. Review Chung affidavit seeking evidence that JYoum had/has control of books and records. Review bank statements with cancelled cheques for October to December 2024. 1st attempt to changeover Rogers re internet service.
20-Mar-2025	Moffatt, David	0.9	emailed WEPPA POCs out to employees; sent AR letters to mail for employees who did not have an email address on file; sent quick update to PDM re the same; provided PDM legislation reference for notice requirements; EMs w ALeGuen re WEPPA POC; voicemail from and tdw wife of OEIHamdi re WEPP POC; received incomplete POC from ALeGuen. sent email to him re deficiencies.
20-Mar-2025	Moffett, Paul	2.6	Review Cushman & Wakefield SISP proposal and study of housing requirements for city of Edmundston. EMt C&W to arrange phone call. Texts t/f LChung re cameras, internet, and cloud based back up. CCw C&W to review SISP proposal. Send NDA for signature to same. TDw Franchisor. Receive NDA and send C&W historical occupancy reports and franchise agreement. Continue drafting 1st report of receiver for Court. Follow up EMt CBRE.
20-Mar-2025	Rodgers, Angela	0.3	Weppa mailing to employees; print, collate, prepare labels, post
21-Mar-2025	Moffett, Paul	1.1	Arrangements for Cushman Wakefield visit to building. VMt and EMt appraiser. Review other published SISP approval orders and respective trustee or receiver's reports. Continue drafting receiver's first report.
23-Mar-2025	Moffatt, David	0.3	consider, gather and send 2025 payroll + termination pay details to worksafeNB per their request.
23-Mar-2025	Moffatt, David	0.2	Upload 1st s245-s246 notice to website.
24-Mar-2025	Moffatt, David	0.3	Tdw PDM re worksafeNB; returned WEPPA's call from Friday re employee notice; tdw PDM re the same.

Details of Professional Time
686949 N.B. Ltd. - Court Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
24-Mar-2025	Moffett, Paul	2.5	EMf DMoffatt re Worksafe NB. TDw RViel with update and inquiry re what he knows about 155 Cda transaction with \$100,000 deposit. Update on progress and SISP order application. File Admin. TDw ADickinson of de Stecher re update on appraisal and highest and best use. Arrangements with counsel for update call and prep for same. Follow up call with RViel re JYoun controlling books and records. Lengthy TDw Counsel re Youm, appraisals, SISP proposals and order, 1st report to court, advance, WEPP, 155 and Sandhyaji matters, franchisor, PPSA notice. TDw RWP re Colliers proposal and 155 matter as well as SISP order and APS.
24-Mar-2025	Powell, Robert	0.5	dw PDM re report, Colliers, deposit, his discussion w BKean, WEPP
25-Mar-2025	Moffatt, David	0.3	Send WorkingNB notices out to employees
25-Mar-2025	Moffatt, David	0.2	Prep and make payment to Elliott Insurance
25-Mar-2025	Moffatt, David	0.2	Prep and make payment to City of Edmundston
25-Mar-2025	Moffett, Paul	3.5	EMs t/f insurance broker re payment. Receive, review, approve invoices for insurance and utilities and send for payment. EMf Cushman Wakefield. TDw DMoffatt re WEPP and letters to employees on behalf of employment standards. Continue drafting receiver's first report and SISP proposal. Update projected cashflow.
25-Mar-2025	Powell, Robert	0.1	review and approve payments for City of Edmundston and Elliott Insurance; sign cheques
		<u>89.7</u>	

EXHIBIT “P”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

District of
Division No. -
Court No.
Estate No. 51-126532

Form 12
Interim Statement of Receipts and Disbursements

Interim

RECEIPTS

1. Miscellaneous

Advance from secured creditors	15,163.21	
Recoverable expenses paid by Trustee	8,617.78	23,780.99

TOTAL RECEIPTS

23,780.99

DISBURSEMENTS

2. Premium

Insurance	9,825.00	9,825.00
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3. Miscellaneous

HST paid (ITC)	1,635.75	
Utilities	12,148.64	
Registration of receivership	42.00	13,826.39

TOTAL DISBURSEMENTS

23,651.39

Note: How much of the total disbursements was paid for services provided by persons related to the trustee?

0.00

Amount available for distribution

129.60

4. Levy payable under section 147 of the Act

0.00

5. Unsecured creditors

Proved claims of	0.00
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6. Amount retained in the Trust account by the Trustee:

129.60

Dated at the City of Saint John in the Province of New Brunswick, this 26th day of March 2025.

Powell Associates Ltd. - Licensed Insolvency Trustee

302 - 133 Prince William St.
Saint John NB E2L 2B5
Phone: (506) 638-9220 Fax: (506) 638-1428

EXHIBIT “Q”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

PROTECTIVE ADVANCE REQUEST

City Hotels NB Inc.
106 Airport Road
St-John's NL A1A 1Y3

Attn: Steve Sparkes, President

Date: Mar 26/25
Invoice No: 25-105
File No:
BR: PMoffett

Re: 686949 N.B. Ltd. (the "Debtor") – Court Appointed Receivership – Protective Advance Request

This is a request for an advance to reimburse the Receiver for expenses paid to date and a projected estimate to be paid by the Receiver before the week ending May 30, 2025. Details of the estimates are included on the following page. Projected amounts listed are estimates only and are subject to change based on actual costs incurred. The payor of this invoice will be provided a Receiver's Certificate in accordance with the Court Order. Amounts are inclusive of HST.

Description	Actual	Projected
Balance Forward - Cash	\$ (15,163.21)	
Registration Fees	42	-
Property Management	-	2,000
Snow Removal	-	750
Power, Water, Sewer	4,546	4,500
Propane	9,238	12,000
Appraisals	-	8,108
Insurance	9,825	11,949
Professional Fees	-	41,261
	<u>\$ 8,488.18</u>	<u>80,567.68</u>

PROTECTIVE ADVANCE AMOUNT REQUESTED (Rounded): \$ 89,000.00

PAYMENT BY EFT OR WIRE TRANSFER

Bank | SWIFT: Royal Bank of Canada, 169 Hampton Road, Quispamsis, NB, E2E 2R3, (506) 849-5555 | ROYCCAT2

Bank | Transit | Account | Account Name: 003 | 01904 | 1005503 | Powell Associates Ltd.

HST NUMBER: 83792 9207

Accounts are due when rendered. Interest at 1.5% per month will be charged from the invoice date on accounts unpaid after 20 business days.

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee

302-133 Prince William St., Saint John, NB, E2L 2B5

T: 506.638.9220 | F: 506.638.1428 | mail@maritimetrustee.ca

Details of Disbursements (Actual & Projected)
686949 N.B. Ltd. - Court Appointed Receivership

	Actual					Projected											
Week Ending	28-Feb-25	7-Mar-25	14-Mar-25	21-Mar-25	28-Mar-25	4-Apr-25	11-Apr-25	18-Apr-25	25-Apr-25	2-May-25	9-May-25	16-May-25	23-May-25	30-May-25	Actual	Projected	
Cash Balance Forward	(15,163.21)														(15,163.21)	-	
Registration Fees				42.00											42.00	-	
Property Management					-	1,000.00				1,000.00					-	2,000.00	
Snow Removal						750.00									-	750.00	
Power, Water, Sewer					4,546.27				4,500.00						4,546.27	4,500.00	
Propane	4,029.51			5,208.61			4,500.00			4,000.00			3,500.00		9,238.12	12,000.00	
Appraisals						8,107.50									-	8,107.50	
Insurance					9,825.00		5,974.60				5,974.60				9,825.00	11,949.20	
Professional Fees						41,260.98									-	41,260.98	
																8,488.18	80,567.68
																	\$ 89,055.86

EXHIBIT “R”

to the Receiver’s First Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Strategic Marketing Proposal & Professional Qualifications

Travelodge

Edmundston, NB

Presentation to: Powell Associates Ltd.

March 2025

SECOND REPORT EXHIBIT PAGE 158 of 333

collierscanada.com/hotels

Introduction

Colliers Hotels ("Colliers") is pleased to provide Powell Associates, Receiver of 686949 N.B. Ltd. (herein referred to as the "Receiver" or "Powell Associates") with our Strategic Marketing Proposal & Professional Qualifications for the 132-key Travelodge Edmundston located in Edmundston, New Brunswick (the "Hotel" or "Property").

As requested, our proposal includes the following components:

- Overview of our firm and **relevant real-time experience** selling to existing and emerging hotel investors.
- **Proposed marketing process and timeline**, executed by our dedicated hotel transaction team with strong analysis, marketing and strategy skills.
- Tailored approach focused on **proven processes and strategies**.
- Our proposed fee structure and terms of our engagement, which includes the **full commitment of the national hotel practice**.

Colliers has been involved in 900+ lodging property sales across Canada totaling more than \$16 billion over the past 30 years. We have intimate knowledge on active/emerging buyer groups and would orchestrate a highly organized offering process led by senior executives that will result in superior pricing and closing certainty. With our tactical and proven marketing process, unmatched experience in the Maritimes provinces and across Canada, as well as our **industry reputation for getting deals done**, we are well equipped to handle the sale on behalf of the Receiver.

We trust that the following presentation demonstrates our relevant experience and our strong desire to act as the listing agent for the Receiver. We would be pleased to discuss any aspect of the enclosed at your convenience.

Alam Pirani
Executive Managing Director
+1 416 562 6665
alam.pirani@colliers.com

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Managing Director
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- 1 Executive Summary
- 2 Marketing Strategy
- 3 Proposed Listing Terms
- 4 Professional Qualifications
- 5 Appendix: List of Receivership Sales

Travelodge

Edmundston, NB



Executive Summary

Colliers

Most Active Lodging Capital Markets Team in Canada

\$16B+ in Canadian hotel & resort transaction experience

With a long-tenure and trusted team including local market support



Alam Pirani
Vice Chairman
Years at Firm: 34



Robin McLuskie
Managing Director
22 years



Hamir Bansal
Sr. Vice President
12 years



Jessi Carrier
Sr. Vice President
11 years



Russell Beaudry
Senior Director
17 years



Fraser Macdonald
Senior Director
12 years



Olivia Heinz
Project Coordinator
3 years



Bill Hennessey
Managing Director
NB & NL Offices

Unrivalled Track Record

900+

hotels & resorts sold or financed

\$16B+

in volume

Experience over the past three decades in Canada and The Caribbean

Maximizing Value by Covering All Investors & Real Estate Owners

We cover all active and emerging sources of capital, including local/regional/international high-net-worth capital, real estate developers, and all other alternate users.

- Multi-Residential
- Senior's Housing
- Government Housing
- Social Agencies
- Student Housing
- Office / Commercial
- Land Redevelopment



- Americas
- EMEA/Asia-Pacific

24/7 hotel team with boots on the ground across Canada and globally

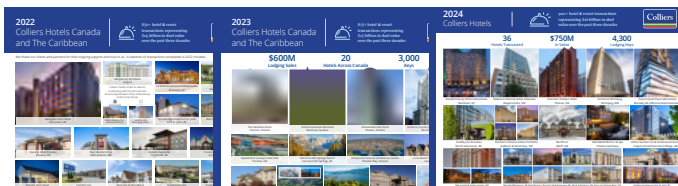
3X

the number of lodging deals completed vs. the nearest national firm since 2010



most active intermediary in every geography and each hotel size/type/class

View our recent year-end sale announcements



View our current research

Canadian Hotel Investment Report



Quarterly INNvestment Canada Reports



Colliers Hotels 2024 Real-Time Experience

\$750M

Coast-to-Coast Transaction Volume

36

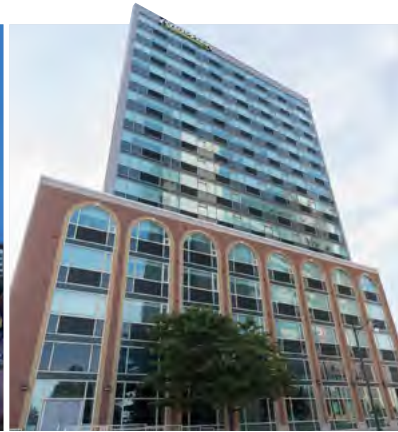
Hotels and Resorts Sold

4,300+

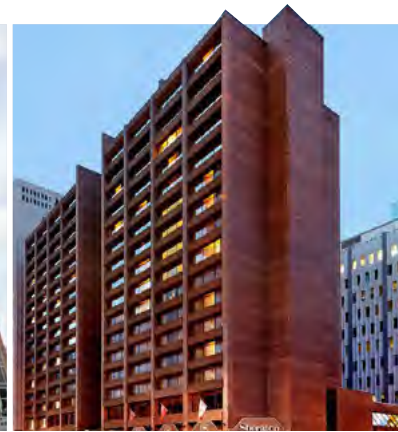
Lodging Keys



DoubleTree by Hilton Downtown
Montreal, QC



Radisson Hotel & Suites Fallsview
Niagara Falls, ON



Sheraton Ottawa Hotel
Ottawa, ON



Fairmont Winnipeg
Winnipeg, MB



Future Hyatt Place Metrotown
Burnaby, BC (office-to-hotel conversion)



Holiday Inn & Suites
North Vancouver, BC



Northern Ontario Hilton Portfolio
Sudbury & North Bay, ON



Banff Inn
Banff, AB



Wakefield Mill Inn & Spa
Ottawa-Gatineau



Hilton Garden Inn & Homewood Suites
Calgary Downtown East Village, AB



Allure Hotel & Suites London, ON
Days Inn on the Harbour & Days Inn Uptown Victoria, BC



Microtel Whitecourt, AB



Best Western Plus Fort Saskatchewan, AB



Motel 6 Kingston, ON



Days Inn Ottawa West, ON



Hampton Inn & Suites Calgary Airport, AB

Travelodge Dawson Creeka, BC, Canalta Weyburn AB, Ramada Weyburn AB, Comfort Inn Airdrie AB

Representative Atlantic Canada Transaction Experience

35+ hotel transactions across Atlantic Canada totaling \$230 million over the past decade
Including the below notable sales



Newfoundland Portfolio
 Various, NL
 282 keys



Edmundston Portfolio
 Edmundston, NB
 203 keys



Best Western Plus Moncton
 Moncton, NB
 80 keys



Radisson Hotel & Suites Fredericton
 Fredericton, NB
 121 keys



Fredericton Inn
 Fredericton, NB
 199 keys



Limited-Service Portfolio (Various)
 NB & NS
 +500 keys



Best Western Truro - Glengarry
 Truro, NS
 110 keys



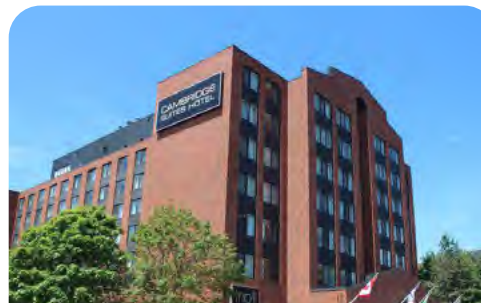
Atlantic Host Bathurst
 Bathurst, NB
 100 keys



Holiday Inn St. John's Conference Centre
 St. John's, NL
 252 keys



Travelodge Edmundston (Former Quality)
 Edmundston, NB
 132 keys



Cambridge Suites Hotel Sydney
 Sydney, NS
 144 keys



Hampton Inn Saint John
 Saint John, NB
 116 keys

Special Situations Expertise

Advisor in 125+ special situations in excess of \$1.5 billion over the past three decades

75%+

Market Share by # of transactions over the past decade (of national brokerages)

85%+

Market Share by \$ volume over the past decade (of national brokerages)



**Carriage Hills/Ridge Resort
Horseshoe Valley, ON**

- 491 keys
- 28 acres

Client: **BDO**



Hampton Inn St. Paul, AB
- 78 keys

Client: **BDO**



Allure Hotel London, ON
- 109 keys

Client: **pwc**



Delta Toronto East, ON
- 366 keys
- Significant development land component

Client: **KPMG**



**Trump Toronto, ON
(now St. Regis)**
- 256 keys
- Hotel & residential

Client: **JCF Capital ULC**



**Holiday Inn Express
Ottawa East-Orleans, ON**
- 103 keys

Client: **FULLER LANDAU**



Days Inn Grand Cache, AB
- 145 keys

Client: **ATB Financial**
FIRST NATIONAL



**Hilton Garden Inn
Montreal Airport, QC**
- 159 keys

Client: **Deloitte**



OPUS Hotel Montreal, QC
- 136 keys

Client: **pwc** **GE**

A selection of representative transactions are shown above

Representative Clients

Deloitte

FULLER LANDAU

KPMG

Grant Thornton

SHIMMERMANPENN

Hardie & Kelly
LIGANFON, LEBLANC, LEBLANC, LEBLANC

pwc

EY

GE

RBC

TD Canada Trust

Scotiabank

CIBC

BMO

M

ALVAREZ & MARSA

BDO

**FIRST NATIONAL
FINANCIAL LP**

MNP

ATB Financial

What Colliers Offers the Receiver

Leadership in Canadian hotel real estate



Most Relevant, Real Time Experience

Colliers' is by far the most active hotel real estate intermediary in the country

We are 3X as active as our nearest national competitor by number of transactions since 2010. We have completed +\$700 million more volume than our closest competitor between 2023 and 2024.



Marketing-Focused Real Estate Powerhouse

Our thoughtful marketing programs are swiftly prepared and tactfully distributed

Our strength as negotiators is supplemented by world-class marketing materials and investor tools critical in today's environment.



Efficient, Proven and Effective Marketing Process

We will market to a broad and wide qualified group of domestic and international investors

Our distribution network is wide and Colliers offers access to the most logical investor base in Canada and globally.



Success-Based Fee Structure

Our marketing program is all inclusive, including professional design and global distribution

We cover all associated costs – including a secure virtual data room – and are compensated on a success basis.



An Offering Process Designed to Maximize Price

All steps of our process are designed to encourage competition and maximize sale proceeds

Our reputation is staked on maximizing results and minimizing risks for our clients.



Backed by the Global Resources of Colliers

Colliers' 15,000+ worldwide employees are located in over 500 offices in 68 countries

Colliers is Canada's largest commercial real estate company and the third largest globally.



Team of Real Estate Experts

We are 24/7 real estate specialists with a long-term track record in hotel investment sales

Colliers' collective direct experience in hotel sales across Canada totals over \$16 billion including \$750 million in 2024



We Cooperate with All Real Estate Intermediaries

We encourage real estate agents to participate in representing potential purchasers

This approach ensures all avenues are covered should a certain investor wish to be represented by a separate agent.

Summary Our Marketing Process

- We would enter into an exclusive listing with the Receiver and run a highly organized, competitive bid process. Our proposed listing terms are detailed on [page 17](#).
- Given our extensive transaction experience in major urban, secondary, and tertiary markets across Canada, we would use our proprietary database for marketing the Property, which contains active investors looking for hotel product of a similar size and location for both ongoing hotel use as well as alternate users.
- This targeted distribution list includes private Canadian and U.S. hotel investors, investment companies, high-net-worth families, and opportunity funds active in the hospitality market or specifically seeking a position in Canadian assets. We would also reach out to owners of similar assets in the local market to ensure the Hotel is fully exposed to the most logical and strategic buyers.
- Over the past decade, Colliers has facilitated more than \$230 million in hotel sales across Atlantic Canada including recent experience in the local market with the sales of the Days Inn and Best Western Plus Edmundston in 2022. As Canada's most active hotel brokerage, Colliers has the resources to ensure the Hotel is fully marketed to the hotel investment community and leverage an active and well-qualified buyer pool from our extensive Atlantic Canada experience to maximize pricing and provide closing certainty for the Receiver.
- Colliers brings extensive experience with the Travelodge Edmundston, having brokered its 2016 sale to 686949 N.B. Ltd. and later holding a mandate to sell the Property before the receivership process. **Our recent experience with the Hotel will expedite marketing preparation and provide the Receiver with direct access to a ready pool of qualified investors who have shown continued interest since its temporary closure in January 2025.**
- **Following recent discussions with the Receiver, Colliers acknowledges that it is holding a deposit in trust related to a legal matter from a previous sale process. We assure the Receiver that this pending matter will not affect our ability to act impartially in the sale of the Property. If needed, further discussions can be arranged between Colliers' legal representation and the Receiver.**
- The listing can also be added to the Colliers website, which is viewed more than 300,000 times per month and often generates new leads.
- Transactions of this scope typically require four to six months from start-to-finish. Our preliminary marketing timeline is detailed on [page 13](#).
- As part of our process, we will provide frequent written marketing updates, which would outline progress, a listing of prospects, investor feedback, as well as recommended next steps. Our marketing updates would be augmented by scheduled conference calls, when requested.

Travelodge

Edmundston, NB



Marketing Strategy

Colliers

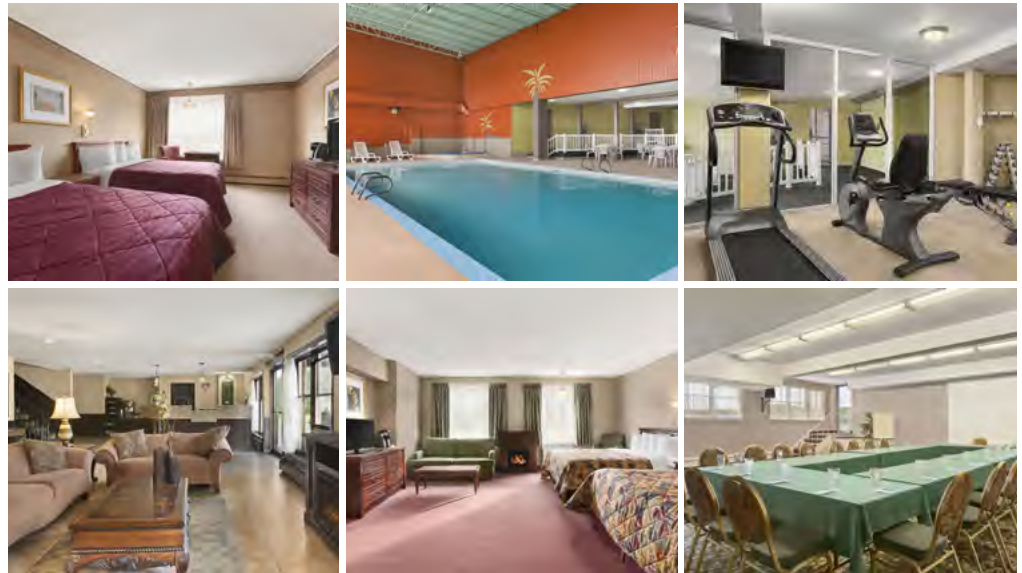
Property Overview

Civic Address	919 Canada Road, Edmundston, NB
Year Built	1971
Site Area	±3.39 Acres
Parking	±275 Surface Stalls
Height	Two to Three Floors
Food & Beverage	Restaurant with Patio
Meeting Space	±4,000 SF
Facilities	Indoor Pool & Whirlpool, Fitness Centre, Business Centre
Keys	132 Averaging ±313 SF



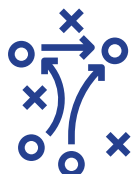
Value Drivers

- 1 Edmundston's largest hotel, offering strong upside potential through renovation, professional management, and leasing/operation of the restaurant
- 2 Well-positioned to benefit from significant hotel investment momentum within Atlantic Canada
- 3 Excellent accessibility to Trans-Canada Highway & nearby points of interest
- 4 Comprehensive hotel on expansive site with robust concrete construction



Key Elements of Our Marketing Strategy

Our Mission is to Maximize Value and Minimize Risk



Pre-Marketing Phase

Colliers conducts thorough up-front due diligence to ensure investors receive well-organized and complete information to maximize price and minimize closing contingencies.



Personal Presentations and Tours

We personally access investors and coordinate site and market tours to convey exclusivity and highlight the strong attributes of the local lodging market.



Aggressive & Defensible Underwriting

We will present the most aggressive, supportable pricing and tools for investors to underwrite the Hotel including alternate brand search/analysis.



Tailored Distribution / Creating Depth

Our marketing approach is tailored so each group of investors feel they have a competitive advantage. We aim to induce as many investors into the process as possible.



Unique, User-Friendly Offering Book

A traditional Confidential Information Memorandum (CIM) and teaser is drafted to portray the “story” for the Offering and details the positive attributes of the Hotel.



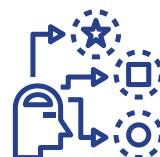
Concurrent Debt, Equity, & Brand Search

In addition to hotel investors, Colliers will enter into simultaneous discussions with leading hotel brands and primary lenders, vital ingredients to close the transaction.



Secure Virtual Deal Room

A due diligence website is offered compliments of Colliers. Our Virtual Data Room (VDR) will be setup, managed and monitored by our team and is a key tool in the distribution of new information as well as monitoring investors’ level of underwriting activity.

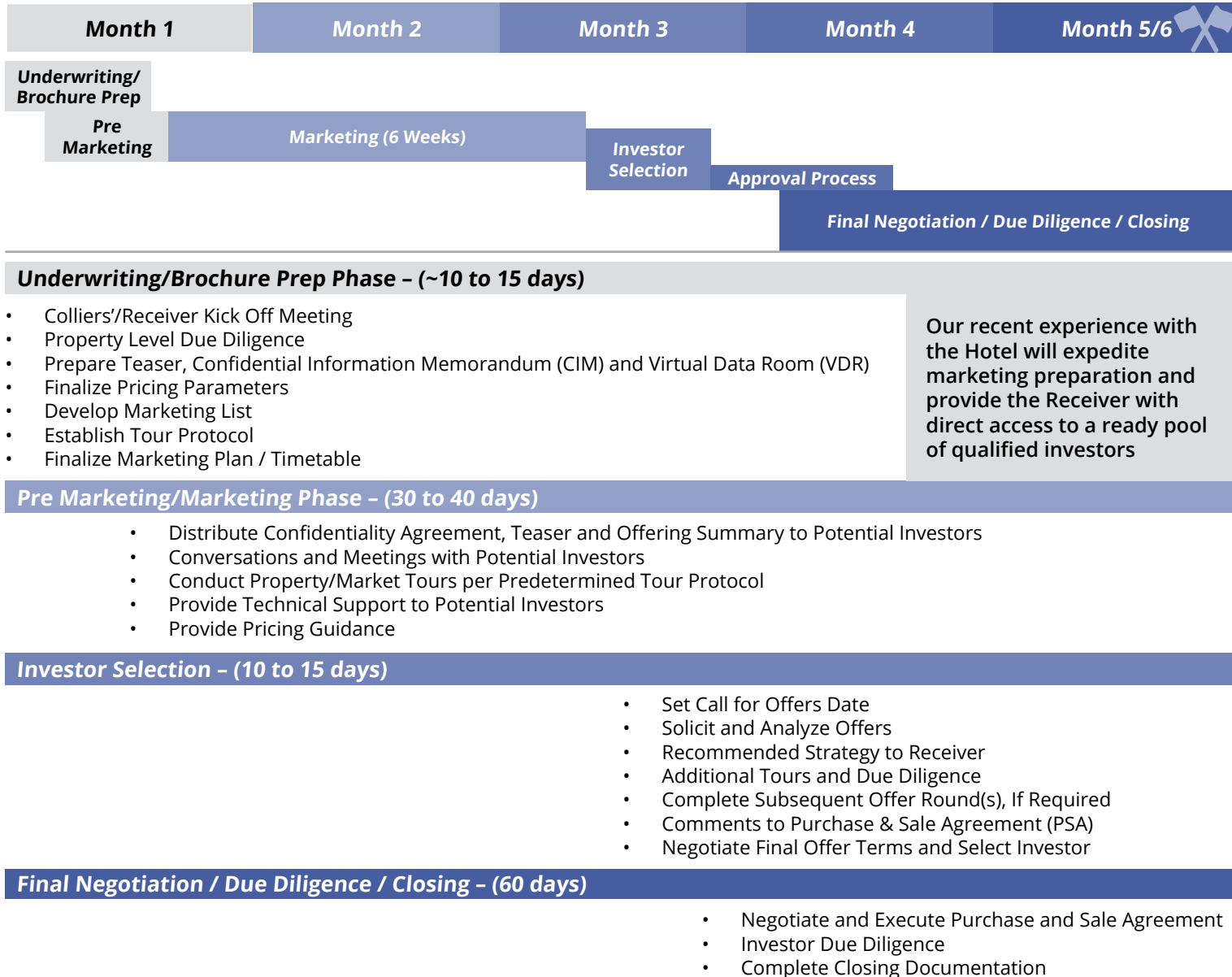


Selection & Keeping the Bullpen Active

We will help the Receiver select a buyer and use our local and global relationships to vet unknown investment groups while keeping other interested investors engaged in an effort to keep pressure on the selected buyer. We will work with the buyer and Receiver during due diligence and closing to ensure a smooth transition.

Preliminary Marketing Timeline

Transactions of this scope will typically require approximately four to six months to complete and vary depending on complexities that arise and evolving market conditions, among other factors. Our anticipated preliminary timeline is presented below based on engagement timing provided by the Receiver. The preliminary timeline would be augmented by an updated detailed timetable after a kick-off meeting.



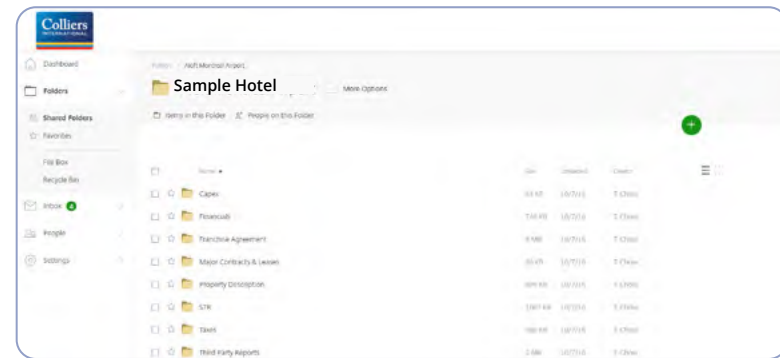
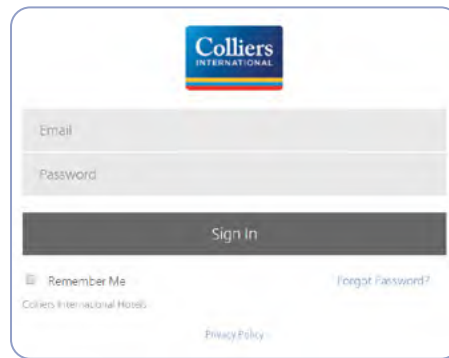
Secure Virtual Data Room

An Invaluable Tool in Our Marketing Toolbox

- Colliers has the industry's gold standard Virtual Data Room from Citrix Sharefile.
- This dynamic cloud-based VDR offers a complete due diligence solution with advanced security and analytics reporting.
- Sample client login and deal folder view are below. We would be happy to walk you through how our secure VDR works or address any questions you may have on its functionality.

Virtual Data Room services are included as part of our service and provide the most secure way to distribute new information as well as monitor investors' level of due diligence activity.

In conjunction with the Receiver, Colliers will setup, manage and monitor all aspects of the VDR.



The secure way deals get done

Approved investors will be given access to a dedicated deal folder and be notified as new pre-approved documents are uploaded to the website.



Simplified file access

Our VDR is simple to use with no training required, making it a simple – and favoured – solution for all investors.

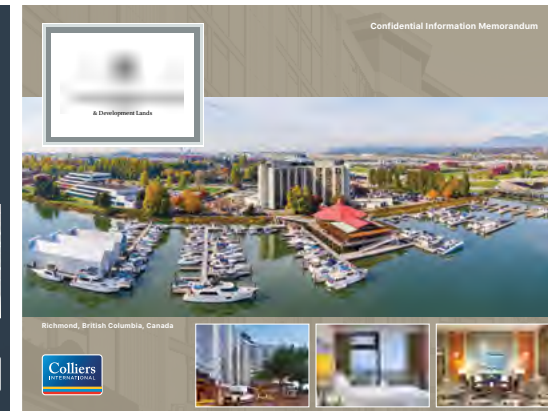


Real-time reporting

We are able to track usage and activity throughout the deal folder(s), providing a snapshot of statistics on the most active users, most viewed documents, as well as access permission logs, etc.

Sample Marketing Materials

World Class Marketing Materials To "Sell The Dream"



Travelodge

Edmundston, NB



Proposed Listing Terms

Colliers

Proposed Listing Terms

- Our proposed exclusive listing term would be six (6) months from execution of a listing agreement.
- Our proposed commission would be 2.5% of the total sale price, plus applicable taxes.
- Colliers' fee is inclusive of all marketing, travel costs and other out-of-pocket expenses, including the secure Virtual Data Room, advertising placements, and production of professional marketing materials.
- We would recommend going out to the market without a formal list price to avoid a potential improvident sale claim. We have used this approach with much success in the past, including similar lender-driven sales.

We welcome the opportunity to further discuss and refine this approach with the Receiver.

Travelodge

Edmundston, NB



Professional Qualifications

Colliers

Limited Service Transaction Experience

No other national lodging intermediary knows Canada like Colliers

200+

Limited Service
transactions
since 2010



BIG

OR SMALL

in all markets
coast-to-coast

Colliers is the only brokerage with national coverage and our unrivaled on-the-ground presence across Canada gives us valuable real-time knowledge of credible buyers and lenders.

Branded limited-service hotels transacted by Colliers includes ...



... in addition to a wide range of independent properties and regional flags

Representative Focused Service Transaction Experience

Over 90 mid-market hotels sold across Canada over the past 15 years

Representing transaction volume in excess of \$1.35 billion



Hilton Garden Inn & Homewood Suites
Calgary (East Village), AB
320 keys



Hampton Inn Calgary Airport
Calgary, AB
104 keys



Best Western on the Harbour
Victoria, BC
74 keys



Four Points by Sheraton
Gatineau, QC
201 keys & Excess Density



Residence Inn Marriott
Montreal, QC
210 keys



Staybridge Suites Portfolio
Guelph & London, ON
237 keys



Four Points by Sheraton*
Cambridge, ON
124 keys *Advisory Assignment



Courtyard by Marriott & Hampton Inn
Edmonton (West), AB
239 keys



Inn at the Quay
New Westminster, BC
126 keys / Office & Retail



Holiday Inn Express
Vancouver (Metrotown), BC
100 keys



Holiday Inn Express
Ottawa East (Orleans), ON
103 keys



Courtyard & Residence Inn by Marriott
Calgary (Airport), AB
328 keys



Staybridge Suites
Toronto-Oakville, ON
105 keys



Hilton Garden Inn
Montreal (Airport), QC
159 keys



Ontario Focused-Service Hotel Portfolio
Hilton Garden Inn, TownePlace Suites & Courtyard
416 keys



Concord Canada 10 Asset Portfolio
Alberta & Ontario Newly Built Marriott Focused-Service
1,304 keys



Toronto Focused-Service Hotel Portfolio
Four Points, Hilton Garden Inn & Crowne Plaza
847 keys

Representative Clients

Recognized as the advisor of choice for our ability to perform

Notable institutional and private clients include



Core Team Biographies



Alam Pirani

Vice Chairman, Hotels, Canada & Caribbean

Alam Pirani is Executive Managing Director of Colliers Hotels based in the Toronto office. He leads the team of professionals responsible for hotel investment advisory services in Canada and the Caribbean and is an Executive Member of the Colliers Global Hotel Team. Alam's specialized experience is in sourcing equity and debt capital for hotel and leisure investments and providing strategic advisory services for hotel and leisure-related assets. Since joining Colliers in 1991, Alam has been directly involved in portfolio and single asset and debt transactions with a market capitalization of over \$15.0 billion in Canada and over \$3.0 billion in the Caribbean acting on behalf of REIT's, public companies, institutional investors, opportunity/ investment funds and private capital sources.

Prior to joining Colliers, Alam was with the hotel and leisure time industries consulting firm of Laventhol & Horwath, where he was involved in advising clients on development, valuation and strategic planning in the lodging industry. Alam has also worked in various operations capacities with hotel companies and with a private real estate investment/development company. Alam received his formal education in Hospitality & Tourism Management at Ryerson University.



Robin McLuskie

Managing Director, Hotels, Canada

Robin has been with Colliers since 2003 and is responsible for hotel and resort investment sales, business development and client management. As Managing Director of Canadian hotel brokerage operations, she is an industry leader representing Canada's largest hotel owners, focusing on developing long-term client relationships and helping to establish Colliers as the advisor of choice to institutional capital and private investors. Working closely with Alam Pirani and Tom Andrews, Robin has managed over 200 hotel sales and valuations in excess of \$4.0 billion and is responsible for sales assistance, financial underwriting as well as due diligence management and debt placement services.

Robin's experience includes hotel valuations and advisory services, with a specialized breadth of knowledge on the dynamics of the financial and operational aspects of real estate investments, asset management and management contracts. Robin also co-authors and helps manage the production of the quarterly INNvestment Canada Newsletter and annual Canadian Hotel Investment Report. She is also a guest writer for Global Hotel Network and Hotelier Magazine. Robin earned her Advanced Certification in Hotel Real Estate and Hotel Investments from Cornell University in 2010 and graduated from Ryerson University's School of Hospitality and Tourism Management program in 2005.

Core Team Biographies



Jessi Carrier
Senior Vice
President, Hotels

Based in Montreal, Jessi is responsible for hotel brokerage and debt placement. With 15 years of experience in real estate and finance, he brings a unique dimension to the Colliers Canadian Hotel Practice Group and a comprehensive background in several investment disciplines, in particular hotels, restaurants and related industries. Most recently, Jessi worked alongside an investment banking firm, and prior to that was a senior account manager for eight years at GE Capital.



Hamir Bansal
Senior Vice
President, Hotels

Hamir works closely with the Canadian hotel brokerage team, providing investor coverage and pursuing hotel mandates in Western Canada. Hamir has considerable experience selling hotel properties to a variety of private and institutional investors. Hamir has a Bachelor's degree in Hotel Management from Mangalore University and has completed the Hotel Real Estate Investment and Asset Management certification from Cornell University, as well as appraisal courses at UBC's Sauder School of Business.



Fraser Macdonald
Senior Director,
Hotels

Fraser has been involved in more than \$4 billion of lodging transactions across Canada and the Caribbean since joining Colliers in 2013. In his position as Senior Director, Fraser works closely with the national hotel brokerage team with a focus on sales, transaction management, financial underwriting, and strategic research including authorship of Colliers' Canadian Hotel Investment Report and INNvestment Canada quarterly hotel investment reports. Fraser is a graduate of Ryerson University and is licensed to sell real estate in the province of Ontario.



Russell Beaudry
Senior Director, Hotels

Russell is a key member of the Canadian hotel team completing 250+ lodging transactions across Canada since 2010. Russell specializes in hotel development and mixed-use projects including land, office, retail and residential. Russell has also assisted in a variety of strategic advisory assignments for clients in the Caribbean/Latin America and Canada, including market and feasibility studies, valuations and operational reviews. Russell is a graduate of Ryerson University and has completed his Certification in Hotel Real Estate Investments and Asset Management from Cornell University.

Travelodge

Edmundston, NB



Appendix A: List of Receivership Sales

Colliers

Appendix A - Sample Lender-Driven and Receivership Transaction Experience

Year	Hotel	Rooms	Sale Price
2024	Paradise Inn Redwater, AB	56	Undisclosed
	Tmarack Inn Rocky Mountain House, AB	63	Undisclosed
	Killam Crossing	40	\$415,000
	Allure Hotel & Suites London	109	\$13,800,000
2022	Holiday Inn Express & Suites Bonnyville, AB	108	Undisclosed
2021	Carriage Hills/Ridge Resort, Oro-Medonte, ON	250	\$60,000,000
	Red Roof PLUS+ & Suites Calgary Airport, AB	150	\$5,500,000
2019	Quality Inn & Suites Yorkton, SK	94	\$2,900,000
	Wingate Airdrie, AB	83	\$6,500,000
2018	Delta Toronto East Hotel, ON	366	\$60,000,000
2017	Holiday Inn Express & Suites Ottawa East - Orleans, ON	103	\$18,000,000
	Trump International Hotel Toronto, ON	211	Undisclosed
	Baha Mar Resort, The Bahamas	N/A	Undisclosed
	Days Hotel & Suites Grande Cache, Grande Cache, AB	145	\$4,900,000
2016	216 Bathurst Street, Toronto, ON	N/A	\$3,100,000
2014	Christie's Mill Inn & Spa, Port Severn, ON	42	Undisclosed
2012	OPUS Hotel Montreal, Montreal, QC	136	\$10,500,000
2010	7389 & 7429 Lundy's Lane, Niagara Falls, ON	202	\$2,500,000
2006	Holiday Inn Express Woodstock, ON	87	Undisclosed
	Casablanca Winery Inn, Grimsby, ON	79	\$8,675,000
2004	Waterton Lakes Lodge, Waterton Lakes National Park, AB	80	\$3,785,000
	Regal Constellation Hotel, Toronto, ON	837	\$24,000,000
2002	The Elora Mill, Elora, ON	32	\$2,950,000
2001	The Royal Brock, Spa & Sports Club (now Quality Hotel & Conference Centre Royal Brock), Brockville, ON	72	\$2,775,000
1999	City Garden Hotel (now Sandman Hotel), Victoria, BC	100	\$9,325,000
1998	Minaki Lodge (closed), Minaki, ON	144	\$1,600,000
1997	Quality Hotel St. John's, St. John's, NF	162	\$8,700,000
	International Plaza Hotel and Conference Centre (now Doubletree International Plaza Hotel Toronto Airport), Etobicoke, ON	415	\$22,250,000
	Hotel Selby (now Clarion Hotel), Toronto, ON	67	\$1,980,000
	Howard Johnson Westbury Hotel (now Courtyard by Marriott), Toronto, ON	546	\$14,000,000
	Chimo Hotel Ottawa, Gloucester, ON	258	\$16,000,000
1996	Drawbridge Inn, Sarnia, ON	97	\$2,000,000
	Clarion Grand Pacific & Quality Inn Harbourview (now Grand Pacific Hotel), Victoria, ON	231	\$28,250,000
1995	Bristol Place Hotel (now Westin Bristol Place Toronto Airport Hotel), Etobicoke, ON	287	\$22,920,000
1996	Travelodge Hotel Toronto Airport (Comfort Hotel Toronto Airport), Etobicoke, ON	175	\$4,640,000
	Ramada Inn Harbour Place (now Radisson Hotel Kingston Waterfront), Kingston, ON	127	\$4,200,000
	Days Inn, Sault Ste. Marie, ON	117	\$1,500,000
	Hotel La Citadelle (now Courtyard by Marriott), Montreal, QC	180	\$4,275,000

Year	Hotel	Rooms	Sale Price
1996	Comfort Inn Brantford, Brantford, ON	80	\$1,950,000
	Days Inn-Montreal, Montreal, QC	205	\$2,750,000
	Toronto Airport Marriott Hotel , Etobicoke, ON	424	\$34,800,000
	Villa Hotel Burnaby (now Delta Hotel Buraby), Burnaby, BC	275	\$13,000,000
	Howard Johnson Plaza Cambridge Hotel (now Holiday Inn Toronto Airport East), Etobicoke, ON	175	\$3,150,000
	Sheraton Guildford, Surrey, BC	280	\$18,750,000
	St. Regis Hotel, Vancouver, BC	83	\$5,300,000
	Holiday Inn Dartmouth, Dartmouth, NS	196	\$3,900,000
	Millcroft Inn, Alton, ON	52	\$3,250,000
	Chimo Hotel Markham (now Holiday Inn Hotel & Suites Toronto), Markham, ON	292	\$12,600,000
1994	WelcomINN Brampton (now Best Western Brampton), Brampton, ON	136	\$3,500,000
	Comfort Suites Montreal, Montreal, QC	96	\$3,014,000
	Chimo Ramada Hotel (now Four Points Hotel Toronto-Mississauga), Mississauga, ON	207	\$4,298,000
	Norfinch Strata Best Western (now Holiday Inn Express), North York, ON	165	\$1,889,000
	Valhalla Inn Kitchener (now Delta Kitchener), Kitchener, ON	199	\$4,650,000
	Manoir Le Moyne Apartment Hotel (now Clarion Hotel & Suites), Montreal, QC	265	\$7,500,000
	Windermere House, Windermere, ON	78	\$950,000
	Renfrew Inn, Refrew, ON	65	\$1,270,000
	Saint- Laurent, QC	220	\$4,350,000
	Empire Hotel & Conference Centre, North Bay, ON	94	\$1,200,000
1993	Best Western Stoney Creek Hotel (now Holiday Inn Express), Hamilton, ON	137	\$3,100,000
	Royal Connaught Hotel (converted to Royal Connaught Howard Johnson Hotel; currently closed), Hamilton, ON	206	\$4,450,000
	Hotel Strata Mississauga (now Holiday Inn Express Toronto Airport Area),Mississauga, ON	129	\$2,600,000
	Dorval Airport Hotel (now Park Inn Montreal Airport), Saint-Laurent, QC	190	\$1,000,000
	Howard Johnson Toronto East Hotel (now Centennial College Student Residence), Scarborough, ON	192	\$5,750,000
	Cherrywood Inn (now Holiday Inn Express), Edmonton, AB	138	\$2,900,000
	Best Western Carlton Place Hotel (now Park Plaza Toronto Airport), Rexdale, ON	528	\$8,475,000
	Howard Johnson Hotel (now McIntosh Country Inn & Conference Centre), Morrisburg, ON	68	\$725,000
	Howard Johnson Capital Place Hotel (now ARC the Hotel Ottawa), Ottawa, ON	108	\$3,700,000

Appendix A - Sample Lender-Driven and Receivership Transaction Experience

Year	Hotel	Rooms	Sale Price
1993	Best Western Rose City Inn (now Holiday Inn Windsor), Windsor, ON	147	\$2,429,553
	Hotel Aurora (now Howard Johnson Hotel Aurora), Aurora, ON	98	\$3,500,000
	Rock Haven Motor Inn, Peterborough, ON	86	\$1,000,000
1992	Skyline Triumph Hotel (now condominium residence),	380	\$9,500,000
	Old Stone Inn, Niagara Falls, ON	114	\$4,265,000
1990	Holiday Inn Mississauga, Mississauga, ON	151	\$10,800,000

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EXHIBIT “C”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

IN THE COURT OF KING'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF 686949 N.B. LTD., carrying on business
at the County of Madawaska and Province of New Brunswick;

PURSUANT TO SECTION 33 OF THE *JUDICATURE ACT*, R.S.N.B. 1973, C. J-2, RULES 41,
RULES OF COURT, NEW BRUNSWICK AND SECTION 243 OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, C. B-3,

BETWEEN:

CITY HOTELS NB LTD., a body corporate carrying on business in the
Province of New Brunswick

APPLICANT

-and-

686949 N.B. LTD., a body corporate carrying on business in the province
of New Brunswick

RESPONDENT



SISP APPROVAL ORDER

UPON READING the First Report the Receiver dated April 2, 2025 and the affidavit of Deborah Lynne Northrup sworn on April 9, 2025;

AND UPON HEARING the submissions of counsel for the Receiver

AND UPON HEARING

*Mr. Galt, counsel for City Hotels NB, and
Mr. Wilson, counsel for T.O. Bank*

AND UPON it appearing that appropriate notice of the within Motion has been provided to all
interested parties; and

*793
15/04/25
mab*

AND UPON the Receiver having applied for an Order authorizing and approving the Receiver to proceed with the Sales and Investment Solicitation Process ("SISP") as described in the First Report of the Receiver dated April 2, 2025.

IT IS HEREBY ORDERED THAT:

1. The time for service of the Notice of Motion and supporting documentation is hereby validated so that this Motion is properly returnable today and hereby dispenses with further service thereof;
2. The SISP as described by the Receiver in the First Report of the Receiver is hereby authorized and approved with the sale of any of the Respondent's assets subject to approval by this Court; and
3. This Court hereby requests the aid and recognition of any Court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All Courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such Orders and to provide such assistance to the Receiver, as an Officer of this Court, as may be necessary or desirable to give effect to this order or to assist the Receiver and its agents in carrying out the terms of this Order.

DATED at Saint John, New Brunswick, this 15th day of April, 2025.



Justice of the Court of King's Bench of
New Brunswick in Bankruptcy and Insolvency

EXHIBIT “D”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT is made as of the _____ day of _____, 2025.

BETWEEN:

POWELL ASSOCIATES LTD., solely in its capacity as court-appointed Receiver of all of the property and assets of **686949 N.B. Ltd.** (the **"Company"**)

and not in any other capacity and with no personal or corporate liability

(hereinafter called the **"Vendor"**)

OF THE FIRST PART

- and -

_____.

(hereinafter called the **"Purchaser"**)

OF THE SECOND PART

RECITALS:

Whereas:

- A. Pursuant to the Order of the Court of King's Bench of New Brunswick in Bankruptcy and Insolvency (the **"Court"**) in court file SJM/31/2025 (the **"Proceedings"**), dated the 21st day of February 2025 (the **"Receivership Order"**), the Vendor was appointed as Receiver of all the assets, property and undertaking of the Company acquired for or used in connection with the business carried on by the Company, including all proceeds thereof (collectively, the **"Assets"**).
- B. Pursuant to the Receivership Order, the Vendor is authorized to sell the Assets and apply for an Order of the Court approving the sale of any or all of the Assets and vesting title to such Assets in the Purchaser.
- C. On April __, 2025, the Court made an order (the **"SISP Approval Order"**) approving, among other things, a Sales And Investment Solicitation Process (the **"SISP"**) for the solicitation of offers (each, a **"Bid"**) for the purchase of the Purchased Assets, which Bid must include (among other things) a binding agreement of purchase and sale.
- D. Subject to an order being issued by the Court approving the sale of the Purchased Assets (defined herein) and pursuant to the terms of this Agreement, the Purchaser has offered to purchase the Purchased Assets and the Vendor has accepted such an offer on the terms and conditions contained herein. The Purchaser acknowledges that the Vendor's

acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and approval of the Court of such actions.

NOW THEREFORE IN CONSIDERATION of the premises and the mutual agreements in this Agreement, and for other consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

“Acceptance Date” means the date upon which this Agreement has been accepted by both parties;

“Adjustments” means the adjustments to the Purchase Price made pursuant to Section 2.6 hereof;

“Agreement” means this agreement of purchase and sale resulting from the acceptance, by the Vendor, of the offer provided for in Section 6.13 and all Schedules attached hereto and the terms “hereof” and “hereto” refer to this Agreement as a whole and references to **“Section”** and **“subsection”** mean the relevant section or subsection of this Agreement unless the context specifically indicates otherwise;

“Applicable Law” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), or Order, or any consent, exemption, approval or License of any Governmental Authority, that applies in whole or in part to the Transaction, the Vendor, the Purchaser, the Company or to any of the Purchased Assets;

“Approval and Vesting Order” means an Order or Orders of the Court in a form substantially in accordance with Schedule A authorizing and approving the Transaction contemplated under this Agreement and ordering that right, title and interest of the Vendor in the Purchased Assets be vested in the Purchaser free and clear of any right, title or interest of the Company or of any other Claims and Encumbrances, except for Permitted Encumbrances, whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, by or of all Persons;

“Authorization” means any Order, permit, approval, consent, waiver, licence, development agreement or other authorization issued, granted, given or authorized by, or made applicable under the authority of, any Governmental Authority having jurisdiction.

“BIA” means the *Bankruptcy and Insolvency Act* of Canada as the same may be amended from time to time;

“Building” means, collectively, the buildings and all other structures, fixtures, equipment and improvements located on the Purchased Real Property, and which are the property of the Company;

“Business Day” means a day other than a Saturday or Sunday, on which chartered banks are open for the transaction of domestic business in Saint John, New Brunswick;

“Chattels” means the chattels and equipment owned by the Company located on, incorporated or situated in, on, around or upon any Building or upon the Purchased Real Property, and includes all equipment, devices or any other chattels or other tangible personal property owned by the Company and located on the Purchased Real Property or in any Building and used exclusively in the operation and maintenance of the Purchased Real Property, excluding any chattels and equipment owned by persons other than the Company;

“Claims” shall have the meaning ascribed thereto in the Approval and Vesting Order;

“Closing” means the completion of the sale to, and purchase by, the Purchaser of the Purchased Assets in accordance with the terms of this Agreement;

“Closing Date” means ten (10) Business Days after the Court grants the Approval and Vesting Order or such other date as the parties hereto agree to in writing;

“Closing Document” means any document delivered at or subsequent to the Closing Time as provided in or pursuant to this Agreement;

“Closing Time” means 5:00 p.m. Atlantic time on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing shall take place;

“Company” means 686949 N.B. Ltd.;

“Confidentiality Agreement” means the confidentiality agreement dated _____ delivered by the Purchaser in favour of the Vendor;

“Court” means the Court of King’s Bench of New Brunswick in Bankruptcy and Insolvency;

“Data Room” means the online virtual data room hosted by the Vendor’s Agent containing the Project Documents and other information pertaining to the Purchased Assets to which the Purchaser has been given access;

“Deposit” means the deposit to be paid by the Purchaser pursuant to 2.4(a);

“Encumbrances” shall have the meaning ascribed to thereto in the Approval and Vesting Order;

“Excluded Assets” means all Assets except for the Purchased Assets – for greater certainty, all bank accounts of the Company and any cash on hand and cash equivalents at Closing shall not be included in the Purchased Assets;

“Fixed Assets” means all of the assets and any and all other fixed assets, machinery, equipment, computers, furniture, furnishings and vehicles owned by the Company and currently located at the Purchased Real Property together with all operating manuals, maintenance logs, and equipment drawings and specifications in the possession of the Vendor relating thereto;

“Governmental Authority” means any domestic or foreign government whether federal, provincial, state or municipal and any governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever;

“HST Certificate and Indemnity” means the HST Certificate and Indemnity in the form attached at Schedule D hereto;

“including” means **“including without limitation”** and the term **“including”** shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

“Liabilities” means all costs, expenses, charges, debts, liabilities, commitments and obligations of any nature or kind, whether accrued or fixed, actual, absolute, contingent, latent or otherwise, matured or unmatured or determined or undeterminable, including those arising under any Applicable Law or Claim and those arising under any Contract or undertaking or otherwise, including any tax liability or tort liability of the Company;

“Order” means any order (draft or otherwise), judgment, injunction, decree, award or writ of any court, tribunal, arbitrator, Governmental Authority, or other Person;

“Parties” means the Purchaser and the Vendor collectively, and **“Party”** means any one of them;

“Person” or **“person”** shall be broadly interpreted and includes an individual, body corporate, partnership, joint venture, trust, association, unincorporated organization, the Crown, any Governmental Authority or any other entity recognized by law;

“Plans, Reports and Specifications”, means any plans, drawings, architect, planner or other consultant reports and specifications relating to the Purchased Real Property;

“Project Documents” means the documents, information, reports and materials relating to the Purchase Assets which: (a) are in existence as of the Acceptance Date; (b) are in the possession and control of the Vendor as of the Acceptance Date; and (c) which have been made available to the Purchaser, by access to the Data Room or otherwise, for review and examination but excluding documents and instruments registered on title to the Purchased Real Property and other information available in the public domain.

“Purchase Price” has the meaning ascribed thereto in Section 2.3;

“Purchased Assets” means, subject to the terms hereof all of the interest of the Company in the following:

- (a) the Purchased Real Property, including the Building; and
- (b) Plans, Reports and Specifications, if any, to the extent they are assignable;
- (c) Chattels; and
- (d) Fixed Assets;

“Purchased Real Property” means the lands and premises described in Schedule C;

“Purchaser’s Solicitors” means the firm of _____, or such other firm or firms of solicitors as are retained by the Purchaser from time to time and written notice of which is delivered to the Vendor;

“Receivership Order” means the Order of the Honourable Justice Stephenson of the Court of King’s Bench of New Brunswick in Bankruptcy and Insolvency dated the 21st day

of February , 2025, appointing the Vendor as Receiver of all of the assets, property and undertaking of the Company, including the Purchased Assets, pursuant to Section 33 of The Judicature Act, R.S.N.B. 1973, Ch. J-2, Rule 41, Rules of Court, New Brunswick and Section 243 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3;

“Related Person” has the meaning in the BIA;

“Statement of Adjustments” means the statement to be prepared by the Vendor setting out the Adjustments and to be delivered as contemplated by Section 3.2(d);

“Transaction” means the transaction of purchase and sale contemplated pursuant to this Agreement;

“Vendor’s Agent” means COLLIERS MACAULAY NICOLLS INC.;

“Vendor’s Solicitors” means William Kean K.C. of the firm of Brenton Kean, or such other firm or firms of solicitors as are retained by the Vendor from time to time and written notice of which is delivered to the Purchaser; and

“Warranties” means any existing warranties and guarantees, if any, for the initial construction or subsequent additions to or upgrading of the Purchased Real Property and the systems therein.

1.2 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended or to any restated or successor legislation of comparable effect.

1.3 Headings

The division of this Agreement into articles, Sections, subsections and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Number and Gender

In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of or between the Parties.

1.6 Amendment

This Agreement may only be amended, modified or supplemented by a written agreement signed by each Party.

1.7 Waiver of Rights

Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

1.8 Schedules

The following Schedules form part of this Agreement:

- Schedule A - Approval and Vesting Order
- Schedule B - Permitted Encumbrances
- Schedule C - Legal Description of Purchased Real Property
- Schedule D - HST Certificate and Indemnity

1.9 Applicable Law

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in New Brunswick (excluding any conflict of laws, rule or principle which might refer such interpretation to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the courts of New Brunswick with respect to any matter arising hereunder or related hereto. The parties exclude the application of the UN Convention on Contracts for the International Sale of Goods, and the International Sale of Goods Act (New Brunswick) as amended, replaced or re-enacted from time to time.

1.10 Currency

Unless specified otherwise, all statements of or references to dollar amounts in this Agreement are to Canadian dollars.

1.11 Third Party Beneficiaries

Nothing in this Agreement or in any Closing Document is intended expressly or by implication to, or shall, confer upon any Person other than the Parties, any rights or remedies of any kind.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

The Vendor shall sell, assign and transfer to the Purchaser and the Purchaser shall purchase the Purchased Assets on the Closing Date pursuant to the Approval and Vesting Order and the Purchaser shall pay the Purchase Price on the Closing Date, subject to the terms and conditions contained in this Agreement.

2.2 Purchaser Acknowledgements and Agreements

The Purchaser acknowledges and agrees as follows:

- (a) the Project Documents have been made available for review by the Purchaser and its representatives;
- (b) the Vendor does not guarantee title to the Purchased Assets and the Vendor shall not be required to furnish or produce any document, record or evidence of title with respect to the Purchased Assets except those in its possession, which have already been reviewed by the Purchaser, and the Purchaser has conducted or will have conducted prior to Closing such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters;
- (c) on Closing, title to the Purchase Assets shall be subject to the Permitted Encumbrances;
- (d) the Purchaser has had reasonable access to the Purchased Real Property and other Purchased Assets and conducted its own investigations and inspections of the Purchased Assets and that the Purchaser is responsible to conduct its own inspections and investigations of all matters and things connected with or in any way related to the Purchased Assets, that the Purchaser has satisfied itself with respect to the Purchased Assets and all matters and things connected with or in any way related to the Purchased Assets;
- (e) the Purchaser has relied entirely upon its own investigation and inspections in entering into this Agreement, that the Purchaser is purchasing the Purchased Assets entirely on an "as is, where is" basis as at the date hereof and as at the Closing Date at the Purchaser's own risk and peril;
- (f) the Purchaser will accept the Purchased Assets in their state, condition and location on Closing and that the Purchaser hereby acknowledges that the Vendor has made no express or implied agreement, representations, warranties, statements or promises of any kind whatsoever, legal or conventional, as to the title, condition, area, square footage, suitability for development, physical characteristics, profitability, use or zoning, the existence of latent defects, outstanding work orders, deficiency notices, compliance requests, development fees, imposts, lot levies, sewer charges, zoning and building code violations, the existence, validity, terms and conditions of any licences, permits, consents or other regulatory approvals relating to or in any way connected with the Purchased Real Property or the existence of zoning or building entitlements affecting the Purchased Real Property, any environmental matter, contamination or condition (including without limitation, any remediation, containment, restoration and/or any other works related to any environmental matter, contamination, or condition, on, in, abutting, above or below the Purchased Real Property) or any other aspect or characteristic of the Property or other Purchased Assets whatsoever, or as to the compliance with any Applicable Laws affecting the Transaction, save and except as are expressly contained in this Agreement. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the Sale of Goods Act (New Brunswick) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser, and the Vendor, its affiliates (as defined in the New Brunswick Business Corporations Act),

managers, partners, general partner, trustees, shareholders, directors, officers, employees and agents of each and any of them, and each and any of their respective heirs, successors, personal representatives, executors, trustees, successors and assigns, and all such Persons are hereby fully, finally and irrevocably released accordingly;

- (g) except as expressly set out in this Agreement, no adjustment shall be allowed to the Purchaser for any changes in condition, quality or quantity of the Purchased Assets to and including the Closing Date. Except as specifically contemplated and provided for in this Agreement, the Purchaser acknowledges that the Vendor is not required to inspect, or provide any inspection, of the Purchased Assets or any parts thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely upon its own inspection and investigation of the Purchased Assets. Nothing contained herein shall require the Vendor, following Closing, to take possession of, protect, preserve, or otherwise safeguard any Purchased Assets.
- (h) any and all information relating to the Purchased Assets (including any Project Documents or any information memorandum given by the Vendor, either Company, or any other person to the Purchaser) was delivered to the Purchaser solely for the Purchaser's convenience and there is no representation or warranty of any kind whatsoever made by the Vendor nor either of the Companies or any other person with respect to the accuracy or completeness of any such information. Without limiting the foregoing, it is agreed that the Vendor does not represent or warrant the accuracy and/or inaccuracy and/or the completeness or incompleteness of any such information and shall not have any liability to the Purchaser as a result of any errors or omissions in such information or any use that may be made of the information by the Purchaser. The Purchaser acknowledges and agrees that the Purchaser is solely responsible for the verification of any Project Documents or other information provided hereunder.
- (i) there is no representation whatsoever as to the presence or absence of hazardous substances on any of the Purchased Real Property including urea formaldehyde foam insulation and any "contaminant" within the meaning of the *Clean Environment Act* (New Brunswick). There is no representation or warranty, statement or promise concerning:
 - (i) the presence or absence of contaminants on, in or about the Purchased Assets;
 - (ii) the discharge of contaminants from, on, or in relation to the Purchased Assets;
 - (iii) the existence, state, nature, identity, extent or effect of any administrative orders, control orders, stop orders, compliance orders or any other orders, proceedings or actions under the *Clean Environment Act* (New Brunswick), the *Clean Water Act* (New Brunswick) in relation to the Purchased Assets;
 - (iv) the existence, state, nature, kind, identity, extent or effect of any liability on the Purchaser to fulfill any obligations with respect to the environmental condition or quality of the Purchased Assets.

The Purchaser acknowledges and agrees that it accepts each of the Purchased Assets subject to its environmental condition and any contamination, and

acknowledges that the Purchaser will have no recourse against the Vendor for any such existing environmental condition or contamination;

- (j) the descriptions of any of the Purchased Assets contained in this Agreement and/or in the Schedules appended hereto are for the purposes of identification only and the Vendor is not liable for any error or omission in such Schedules, nor shall any such descriptions constitute or be deemed to be representations or warranties of the Vendor;
- (k) it shall be the Purchaser's sole responsibility to obtain, at its own expense, and the Purchaser shall use its best efforts to obtain, any consents, approvals or any further documentation or assurances which may be required to be obtained by Purchaser (but not the Company or the Vendor) to carry out the terms of this Agreement.
- (l) the Purchaser shall assume, at its own cost, complete responsibility for compliance with all Applicable Laws in connection with the Purchased Assets, or the use thereof by the Purchaser, after the Closing Date.
- (m) without limiting any of the foregoing or anything else contained herein, the Purchaser further acknowledges and agrees that the obligation of the Purchaser to complete the Transaction on the Closing Date is not subject to any condition relating to any of the foregoing matters nor any other condition except as expressly set out in Section 5.1 of this Agreement.
- (n) The Purchaser acknowledges and agrees that this Section 2.2 shall survive and not merge on Closing.

2.3 Purchase Price

The purchase price for the Purchased Assets (not including all applicable taxes, for which the Purchaser shall also be liable in accordance with Section 2.67) shall be Dollars (\$_____) (the "**Purchase Price**").

2.4 Payment of Purchase Price

The Purchaser shall pay the Purchase Price to the Vendor as follows:

- (a) the sum of CDN \$_____, which is equal to ten per cent (10%) of the Purchase Price, shall be paid by delivery of certified funds, bank draft or wire transfer payable to the Vendor "in Trust," with the submission of this Agreement by the Purchaser to the Vendor and held by the Vendor, without interest, as a deposit (the "**Deposit**") which shall be dealt with in accordance with Section 2.5; and
- (b) the balance of the Purchase Price shall be delivered to the Vendor at Closing payable in cash, by delivery of a certified cheque or bank draft or by wire transfer.

2.5 Deposit

- (a) The Deposit shall be paid by the Purchaser and held in escrow by the Vendor in a non-interest bearing account, until the Closing Time, at which time the Deposit shall be applied on account of the Purchase Price or as otherwise provided for in this Agreement.

- (b) If this Agreement:
- (i) is terminated or the Closing otherwise fails to occur for any reason other than a breach by the Purchaser of its obligations under this Agreement, then the Purchaser shall be entitled to the return of the Deposit without interest within three (3) Business Days, the Purchaser shall have no recourse against the Vendor and this Agreement shall become null and void;
 - (ii) is terminated or the Closing otherwise fails to occur as a result of the breach of the Purchaser of its obligations under this Agreement, then the Vendor shall be entitled to retain the Deposit as liquidated damages, and shall be entitled to pursue all of its other rights and remedies against the Purchaser.

2.6 Adjustments

- (a) The Vendor shall endeavour to prepare and deliver to the Purchaser at least two (2) Business Days prior to the Closing Date, the Statement of Adjustments with all adjustments made as of the Closing Date. The Statement of Adjustments shall have annexed to it complete details of the calculations used by the Vendor to arrive at all of the debits and credits thereon. Except as aforesaid, no adjustments shall be allowed to the Purchaser for changes in the Purchased Assets from the time of acceptance of this Agreement up to and including the Closing Date. If the final cost or amount of any item that is to be adjusted cannot be determined at Closing, then the adjustment for such item shall be made at Closing on the basis of the cost or amount as estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments as determined in accordance with this Agreement shall, for all purposes, be a final adjustment or final adjustments and the Vendor shall be under no obligation to re-adjust any item on the Statement of Adjustments after Closing. The Closing Date shall be for the Purchaser's account both as to revenue and as to expenses.
- (b) The Purchaser hereby acknowledges that there may be outstanding arrears with respect to real property taxes and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. This Section 2.6(b) shall survive Closing.

2.7 Taxes

The Purchaser shall be liable for and shall pay, in addition to the Purchase Price, all federal and provincial sales taxes, land transfer taxes and any other taxes or duties payable in connection with the conveyance and transfer of the right, title and interest, if any, of the Vendor in and to the Purchased Assets (collectively, the "**Taxes**") to the Purchaser and the Purchaser undertakes and agrees to pay all such Taxes on Closing, subject to the Purchaser's right to deliver the HST Certificate and Indemnity, and provided that the Vendor and the Purchaser agree that the appropriate elections with respect to the payment of Taxes shall be made. The Purchaser shall indemnify and agrees to hold and save the Vendor harmless from and against any and all costs, expenses, liabilities and damages incurred or suffered by the Vendor as a result of the failure of the Purchaser to pay any of the Taxes exigible in connection with the Transaction.

2.8 Assumption of Liabilities

At the Time of Closing, the Purchaser will assume and thereafter fulfil, perform and discharge when due the following Liabilities of the Company outstanding as at the Closing Date (collectively, the “**Assumed Liabilities**”);

- (a) all Liabilities with respect to the Permitted Encumbrances, any Warranties, any Authorizations and any limitations and restrictions on the use or application of any of the Purchased Assets, except only to the extent that any such liabilities and obligations are expunged and discharged by the Approval and Vesting Order; and
- (b) all Liabilities arising from or in connection with any Taxes for which the Purchaser is responsible pursuant to Section 2.7.

2.9 Capacity of the Vendor

The Vendor is entering into this Agreement solely in its capacity as the Receiver of the Assets pursuant to the Receivership Order, and not in its personal or any other capacity, and the Vendor and its agents, officers, directors and employees will have no personal or corporate liability under or as a result of this Agreement or otherwise in connection with this Agreement or the Transaction. Any claim against the Vendor shall be limited to and only enforceable against the Assets then held by or available to it in its said capacity as Vendor of the Assets and shall not apply to its personal property and asset held by it in any other capacity. The term “Vendor” as used in this Agreement shall have no inference or reference to the present registered owner of the Purchased Real Property.

ARTICLE 3 CLOSING

3.1 Time and Place of Closing

The Closing shall take place at the Closing Time at the offices of the Vendor’s Solicitors, 75 Prince William Street, 4th floor Saint John N.B., or at such other place as may be agreed upon by the Vendor and the Purchaser.

3.2 Vendor’s Closing Deliveries

On or before the Closing Date, the Vendor shall execute (where applicable) and deliver to the Purchaser or the Purchaser’s Solicitors the following:

- (a) the Receiver’s Certificate in the form appended as Schedule “A” to the Approval and Vesting Order;
- (b) a bill of sale to convey, assign and transfer the Chattels (if any), Plans, Reports and Specifications;
- (c) a Transfer/Deed with respect to the Purchased Real Property;
- (d) the Statement of Adjustments, which the Vendor shall deliver to the Purchaser at least two (2) Business Days prior to the Closing Date with all back-up calculations;
- (e) all master keys (and duplicate keys, if any), together with all combinations as may be applicable, for all locks in the Building which are in the Vendor’s possession or in the possession of its property manager, if any;

- (f) a direction directing payment of the balance of the Purchase Price; and
- (g) any other documents required by this Agreement.

3.3 Purchaser's Closing Deliveries

On the Closing Date, the Purchaser shall execute (where applicable) and deliver to the Vendor or the Vendor's Solicitors the following:

- (a) payment of the balance of the Purchase Price in accordance with Article 2;
- (b) if applicable, a direction to Vendor with respect to the transfer of title to any of the Purchased Assets;
- (c) the certificate with respect to the Purchaser's representations and warranties referred to in Section 4.2;
- (d) the HST certificate and indemnity referred to in Section 3.4;
- (e) an acknowledgement of the Purchaser with respect to the matters set out in Section 2.2; and
- (f) any other documents required by this Agreement.

3.4 HST

With respect to harmonized sales tax ("**HST**") payable by the Purchaser pursuant to the Excise Tax Act (Canada) (the "**Act**"), the parties covenant and agree that, if on Closing, the Purchaser shall be a registrant for purposes of the Act, then, to the extent provided under the Act:

- (a) the Vendor shall not collect HST from the Purchaser in respect of the Transaction and the Purchaser shall file returns and remit such HST to the applicable Authorities, when and to the extent required by the Act;
- (b) the Purchaser shall indemnify the Vendor and hold the Vendor harmless from any liability under the Act arising because of breach of the obligations of the Purchaser set out in this Section 3.4 or arising under the Act, together with all losses, costs and expenses resulting from such breach; and
- (c) the Purchaser shall provide a certificate and indemnity in the form set out in Schedule G on Closing confirming its HST registration number under the Act,

failing which, the Purchaser shall pay to the Vendor on Closing the HST payable by the Purchaser with respect to the Transaction and the Vendor shall remit such HST to the applicable Authorities in accordance with the Act. The obligations of the Purchaser and the Vendor under this Section 3.4 shall not merge on, and shall survive, Closing.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Vendor

The Vendor represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying upon such representations and warranties in entering into this Agreement:

- (a) The Vendor has been appointed Receiver of the Company pursuant to the Receivership Order.
- (b) The Vendor has done no act to dispose of or encumber any of the Purchased Assets.
- (c) The Vendor is not a non-resident person of Canada within the meaning of the *Income Tax Act* (Canada).
- (d) The Vendor: (i) has duly executed this Agreement and (ii) has, or will have after obtaining the Approval and Vesting Order, all necessary power, authority and capacity to enter into this Agreement and the Closing Documents to which it is a party and to carry out its obligations under this Agreement and the Closing Documents to which it is or will be party to in connection with the Transaction and to perform its obligations hereunder and thereunder.
- (e) There are no outstanding options, agreements of purchase and sale or other agreements or commitments obligating the Vendor to sell any of the Purchased Assets other than this Agreement.
- (f) This Agreement has been, and each Closing Document to which the Vendor is a party will on Closing be, duly executed and delivered by the Vendor, and this Agreement constitutes, and each Closing Document to which the Vendor is a party will, on Closing, constitute, a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms.

4.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor as follows and acknowledges that the Vendor is relying upon such representations and warranties in entering into this Agreement:

- (a) The Purchaser is a corporation duly incorporated, organized, and validly existing under the laws of its jurisdiction of incorporation. No proceedings have been taken or authorized by the Purchaser or, to the best of the Purchaser's knowledge, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Purchaser.
- (b) The Purchaser has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement and the Closing Documents to which it is a party. The Purchaser has taken all corporate action necessary to authorize the execution and delivery of, and the observance and performance of, its covenants and obligations under this Agreement and the Closing Documents to which it is or shall be a party.

- (c) This Agreement has been, and each Closing Document to which the Purchaser is a party will on Closing be, duly executed and delivered by the Purchaser, and this Agreement constitutes, and each Closing Document to which the Purchaser is a party will, on Closing, constitute, a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms.
- (d) The Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act* (Canada).
- (e) The Purchaser is an HST registrant under the Excise Tax Act (Canada).
- (f) Neither the execution and delivery of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under the constating documents or by-laws of the Purchaser or any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound

4.3 Interpretation

Each representation and warranty made by a Party in this Agreement shall be treated as a separate representation and warranty in respect of each statement made and the interpretation of any statement made shall not be restricted by reference to, or inference from, any other statement made in a representation and warranty of such Party.

4.4 Commission

Each Party represents and warrants to each other Party that no other Party will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated hereby because of any action taken by, or agreement or understanding reached by, that Party.

4.5 Survival Provisions

All representations, warranties, statements, covenants and agreements made by the Purchaser in this Agreement or any Closing Document shall survive the Closing indefinitely.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions of Closing

Either the Purchaser or the Vendor shall be obliged to complete the Closing only if each of the conditions precedent set out below in Section 5.1(a) through Section 5.1(e) inclusive, has been satisfied in full at or before the Closing Time.

(a) Accuracy of Representations and Performance of Covenants

At the Closing Time, all of the representations and warranties of each of the Purchaser and the Vendor made in or pursuant to this Agreement shall be true and correct as if made at and as of the Closing Time (regardless of the date as of which the information in this Agreement or in any schedule or other document made pursuant hereto is given) except as such representations or warranties may be affected by the appeal of any Court Order referred to herein. At the Closing Time,

each of the Purchaser and the Vendor shall have observed or performed in all respects all of the obligations, covenants and agreements which it must perform at or before the Closing Time. Each of the Purchaser and the Vendor shall have received immediately prior to the Closing Time a certificate from the other certifying, to the best of its knowledge, information and belief (after due enquiry) that the conditions in this Section 5.1 to be satisfied by it have been satisfied.

(b) **Consents, Authorizations and Registrations**

All consents, approvals, Orders and authorizations of any Person or Governmental Authority (or registrations, declarations, filings or recordings with any of them), required for the Closing (other than routine post-closing notifications or filings), shall have been obtained or made on or before the Closing Time.

(c) **Litigation**

No Order shall have been entered that prohibits or restricts the Closing. Neither of the Parties, nor any of their respective directors, officers, employees, or agents, shall be a defendant or third party to or threatened with any litigation or proceedings, before any court or Governmental Authority which, in the opinion of either the Purchaser or the Vendor, acting reasonably, could prevent or restrict that Party from performing any of its obligations in this Agreement or any Closing Document, including the appeal or any threatened appeal of the Approval and Vesting Order.

(d) **Receipt of Closing Documentation**

All documentation relating to the sale and purchase of the Purchased Assets and such other Closing Documents relating to the due authorization and completion of the sale and purchase and all actions and proceedings taken on or prior to the Closing in connection with the performance by the Purchaser and the Vendor of their obligations under this Agreement shall be satisfactory to each of the Purchaser, the Vendor and their respective counsel, as applicable. Each of the Purchaser and the Vendor shall have received copies of the Closing Documents and all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated hereby and the taking of all corporate proceedings in connection therewith in form (as to certification and otherwise) and substance satisfactory to each of the Purchaser, the Vendor and their respective counsel.

(e) **Orders**

The Vendor shall have obtained the Approval and Vesting Order. The Vendor shall not have received notice of appeal in respect of the Approval and Vesting Order.

5.2 Waiver

Any Party may waive, by notice to the other Parties, any condition set forth in this Article 5 which is for its benefit. No waiver by a Party or any condition, in whole or in part, shall operate as a waiver of any other condition.

5.3 Failure to Satisfy Conditions

If any condition set forth in Section 5.1 is not satisfied at the Closing Time, or if it becomes apparent that any such condition can not be satisfied at the Closing Time, the Party entitled to the benefit of such condition (the “**First Party**”) may terminate this Agreement by notice in writing to the other Party and in such event, unless the other Party can show that the condition or conditions which have not been satisfied and for which the First Party has terminated this Agreement are reasonably capable of being performed or caused to be performed by the First Party or have not been satisfied by reason of a default by the First Party hereunder, the Parties shall be released from all obligations hereunder.

5.4 Treatment of Project Documents

If, for any reason, the Transaction is not completed, the Purchaser shall, forthwith upon request, return to the Vendor or destroy all of the Project Documents and any other files and information made available to the Purchaser, other than electronic files which the Purchaser agrees to keep confidential.

ARTICLE 6 GENERAL

6.1 Non-Disclosure of Transaction

In accordance with the Confidentiality Agreement, the Purchaser agrees that (without the express written consent of the Vendor) it will not, and will cause its officers, directors, employees, representatives and advisors not to, disclose or permit to be disclosed to any Person, any information relating to the Purchase Price or any of the other terms of this Agreement, other than to the equity holders of the Purchaser and Persons solicited by the Purchaser to provide financing in connection with the Transaction (and the Purchaser shall ensure, for the benefit of the Vendor, that such parties shall treat all such information in the strictest confidence and the Purchaser shall indemnify the Vendor in that regard).

6.2 Risk of Loss

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Vendor, and shall thereafter be at the Purchaser's risk. Pending Closing, the Vendor will hold all insurance policies and any proceeds derived therefrom and related to the Purchased Assets in trust for the parties as their respective interests may appear and, in the event of loss or damage to the Purchased Real Property occurring before such time by reason of fire, tempest, lightning, earthquake, flood or other act of God, explosion, riot, civil commotion, insurrection, war or otherwise howsoever, the amount of such insurance proceeds paid or payable to the Vendor with respect thereto shall be applied in reduction of the Purchase Price and the transfer of the Purchased Real Property to the Purchaser shall proceed in the manner described herein and without any reduction or adjustment to the Purchase Price or any other change in terms of this Agreement.

6.3 Expenses

Each Party shall pay all expenses it incurs in authorizing, preparing, executing and performing any aspect of the Transaction contemplated by this Agreement, whether or not the Closing occurs, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants.

6.4 Time

Time is of the essence of each provision of this Agreement.

6.5 Solicitors as Agents

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Vendor's Solicitors on behalf of the Vendor, and any tender of Closing Documents and the balance of the Purchase Price due on Closing may be made upon the Vendor's Solicitors and the Purchaser's Solicitors, as the case may be.

6.6 Tender of Documents

Any tender of documents and money pursuant to this Agreement may be made on the Vendor or on the Purchaser or their respective solicitors, and money may be tendered by wire transfer.

6.7 Notices

Any notice, demand or other communication (in this Section, a "notice") required or permitted to be given or made hereunder shall be given in writing and addressed as follows:

(a) In the case of a notice to the Vendor, addressed to it at:

Powell Associates Ltd., in its capacity as the Court appointed Receiver of
all of the property and assets of 686949 N.B. Ltd.
302-133 Prince William Street
Saint John, NB E2L 2B5

Attention: Paul Moffett, Vice-President
Tel.: (506) 638-9131
Email: pmoffett@maritimetrustee.ca

and with a further copy to the Vendor's Solicitors at:

Brenton Kean
75 Prince William Street, 4th floor
Saint John N.B.

Attention: William C. Kean K.C.
Tel.: (506) 646-7505
Email: wck@brentonkean.com

(b) In the case of the Purchaser:

_____.

Attention: _____.
Tel.: _____.
Email: _____.

and with a further copy to the Purchaser's Solicitors at:

Attention: _____.
Tel.: _____.
Email: _____.

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by email with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

6.8 Public Announcements / Confidentiality of Agreement

Before the Closing Date, no Party shall make any public statement or issue any press release concerning the transactions contemplated by this Agreement except as may be necessary, in the opinion of counsel to the Party making such disclosure, to comply with the requirements of all Applicable Law or in connection with the obtaining of Orders necessary for the performance of this Agreement. If any such public statement or release is so required, the Party making such disclosure shall consult with the other Parties prior to making such statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree upon a text for such statement or release which is satisfactory to all Parties. This Section 6.8 shall not apply to the report to be made by the Vendor to the Court in connection with seeking the Approval and Vesting Order. The Parties expressly acknowledge and agree that the Vendor shall seek a Sealing Order from the Court with respect to this Agreement and the Purchase Price such that certain of the terms of this Agreement shall not become public until after Closing has been fully contemplated.

6.9 Assignment

- (a) The Purchaser may not assign any or all rights or benefits under this Agreement to any Person without the Vendor's written consent; and
- (b) This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation or statutory arrangement of any Party) and permitted assigns.

6.10 Further Assurances

Each Party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other Party may in writing at any time and from time to time reasonably request be done and or executed, in order to give full effect to the provisions of this Agreement and each Closing Document.

6.11 Remedies Cumulative

The rights and remedies of the Parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by any Party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such Party may be lawfully entitled for the same default or breach.

6.12 Counterparts

This Agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

6.13 Irrevocable Offer

This Agreement shall constitute an irrevocable offer to purchase by the Purchaser which will be open for acceptance by the Vendor until 5:00 p.m. (Atlantic Time) on the _____ day of _____, 2025. If this Agreement has not been fully accepted in accordance with its terms by 5:00 p.m. (Atlantic Time) on the _____ day of _____, 2025, such offer shall be null and void and the Purchaser shall have no obligation to the Vendor and vice versa.

IN WITNESS WHEREOF this Agreement has been executed by the Purchaser on the _____ day of _____, 2025

[COMPANY NAME]

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the
corporation

IN WITNESS WHEREOF this Agreement has been executed by POWELL ASSOCIATES LTD., solely in its capacity as court-appointed Receiver of all of the property and assets of 686949 N.B. LTD. and not in any other capacity and with no personal or corporate liability on the _____ day of _____, 2025.

POWELL ASSOCIATES LTD., solely in its capacity as court-appointed Receiver of all of the property and assets of 686949 N.B. LTD. and not in any other capacity and with no personal or corporate liability

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have the authority to bind the corporation

SCHEDULE A
APPROVAL AND VESTING ORDER

SCHEDULE B

PERMITTED ENCUMBRANCES

Reservations, exceptions, provisos, limitations and conditions provided for or implied by the ***Land Titles Act (New Brunswick)***.

Encumbrances or interests registered by, through or under the Purchaser.

SCHEDULE C

LEGAL DESCRIPTION OF PURCHASED REAL PROPERTY

919 Canada Road, Edmundston, NB – Identified as PID 35257328

SCHEDULE D

HST CERTIFICATE AND INDEMNITY

HST CERTIFICATE, UNDERTAKING AND INDEMNITY

TO: POWELL ASSOCIATES LTD., solely in its capacity as court-appointed Receiver of all of the property and assets of 686949 N.B. LTD. and not in any other capacity and with no personal or corporate liability (the "**Vendor**")

FROM: ● (the "**Purchaser**")

RE: Agreement of Purchase and Sale made as of the ● day of ●, 2025 (the "**Purchase Agreement**"), made between the Vendor and the Purchaser, with respect to the property legally described in Schedule "A" attached hereto (the "**Property**")

IN CONSIDERATION of the closing of the above transaction and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned hereby certifies and agrees that:

- (i) it is purchasing the Property as principal for its own account and not as an agent, trustee or otherwise on behalf of or for another person or third party;
- (ii) it is registered under Subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) (the "**Act**") for the collection and remittance of goods and services tax ("**HST**") and its HST registration number is ● and such registration is in good standing and has not been revoked;
- (iii) it shall be liable for, self-assess and remit to the appropriate governmental authority all HST which is payable under the Act in connection with the transfer of the Property all in accordance with the Act; and
- (iv) it shall indemnify and save harmless the Vendor from and against any and all HST, penalties, costs (including solicitor and client costs) and/or interest which may become payable by or assessed against the Vendor as a result of any failure by the Purchaser to comply with the provisions of this HST Certificate, Undertaking and Indemnity.

The undersigned acknowledges and agrees that the foregoing shall survive and not merge upon closing of the above-noted transaction.

This HST Certificate, Undertaking and Indemnity may be executed and delivered by electronic transmission or .PDF instead of delivering a signed original and the parties hereto may rely upon such electronic signatures, or .PDF as though it was an original signature.

[Remainder of page intentionally left blank; signature page follows]

DATED this ● day of ●, 2025.

●

Per:

Name:

Title:

Per:

Name:

Title:

I/We have authority to bind the Corporation.

EXHIBIT “E”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Brenton·Kean

LAWYERS AVOCATS

WILLIAM C. KEAN, K.C.

Direct Dial: (506) 646-7505

Direct Fax: (506) 693-1166

E-Mail: wck@brentonkean.com

June 30, 2025

Powell Associates Ltd.
302-133 Prince William Street
Saint John, NB, E2L 2B5

ATTENTION: Paul Moffett

Dear Sirs:

**RE: Review of Security Granted by 686949 N.B. Ltd. (the “Debtor”)
to City Hotels NB Ltd. (“City Hotels”) and
The Toronto-Dominion Bank (“TD”)
Our File No.: 19351-009**

Powell Associates Ltd. (the “**Receiver**”) has been appointed the receiver of all of the assets, undertakings and properties of the Debtor pursuant to an Order of the Court of King’s Bench of New Brunswick dated February 21, 2025 (the “**Receivership Order**”).

Security Documents Reviewed

We have received from counsel to City Hotels and TD copies of the following attached security granted by the Debtor which we have reviewed:

- (a) Mortgage (the “**Mortgage**”) in the principal amount of \$1,440,000.00 made by the Debtor in favour of City Hotels dated February 26, 2016 over Parcel Identifier 3527328 (the “**Real Property**”), being municipally known as 919 Chemin Canada, Edmundston, New Brunswick;
- (b) An esub copy of the Mortgage filed electronically under the *Land Titles Act* (New Brunswick) on March 3, 2016 as Number 35735605; and
- (c) Security Agreement/Assignment (the “**Security Agreement**”) made by the Debtor in favour of TD dated May 25, 2021 granting a security interest over all Assets and Undertakings (as defined therein to include all present and after acquired personal property);

(all of the foregoing are collectively the “**Security**”).

Business Address: 75 Prince William Street, 4th floor, Saint John, N.B. Canada E2L 2B2

Mailing Address: P.O. Box 609 Saint John N.B. Canada E2L 4A5

Telephone: (506) 633-2556

Facsimile: (506) 633-5902

Search Reports

We have reviewed the following attached search results:

- (a) Certificate of Registered Ownership in respect of the Real Property dated February 27, 2025 (the “**CRO**”); and
- (b) New Brunswick Personal Property Result Search Report against the Debtor dated June 24, 2025 (the “**PPSA Search**”).

Opinions

We have considered such questions of law as we have considered relevant and necessary as a basis for the opinions hereinafter expressed.


Subject to the assumptions and qualifications listed in attached Schedule “A”, we are of the opinion that:

1. The Mortgage creates under the laws of the Province of New Brunswick a charge in favour of City Hotels in the Real Property.
2. The Mortgage has been registered in the New Brunswick Land Titles Office against the Real Property on March 3, 2016 by registration number 3735605 and creates a first ranking encumbrance against the Real Property.
3. The Security Agreement creates under the laws of the Province of New Brunswick valid security interests in favour of TD in all of the present and after-acquired personal property of the Debtor to which the *Personal Property Security Act* (New Brunswick) (the “**PPSA**”) applies in which the Debtor had rights to secure payment and performance of the obligations described in the Security Agreement as being secured thereby.
4. The security interests created by the Security Agreement in favour of TD in all of the present and after-acquired personal property of the Debtor have been perfected by registration number registered on May 19, 2021 for a period of 5 years with an expiry date of May 19, 2026.

This opinion is rendered for the benefit of the addressee hereof and may not be relied upon, referred to or quoted by any other party nor for any other purpose, without the express written consent of the undersigned.

Yours very truly,

BRENTON KEAN



William C. Kean, K.C.
WCK/blc/

Schedule “A”

Assumptions

For the purposes of this opinion letter, we have made the following assumptions:

1. all signatures on documents reviewed by us are genuine and all documents reviewed by us are authentic and complete;
2. all facts set forth in official public records and certificates and other documents reviewed by us are complete, true and accurate; and
3. each of the Security has been duly authorized, executed and delivered by each of the parties thereto and have not been released or discharged and that attachment under the PPSA has occurred.

Qualifications

The foregoing security review is subject to the following qualifications:

1. the enforceability of the rights and remedies created by the foregoing documents is subject to bankruptcy, insolvency, re-organization and similar laws of general application affecting the rights and remedies of creditors and mortgagees, and subject to the discretion of a court in granting equitable remedies and the availability of the remedies of specific enforcement and of injunctive relief and the exercise of powers by receivers and managers are subject to the discretion of the court before which any proceedings in relation thereto may be brought;
2. our opinions are limited to the laws of the Province of New Brunswick and the federal laws of Canada applicable therein as of the date hereof;
3. we limited our review to the Security granted to the foregoing security granted by the Debtor to City Hotels and TD, and in particular we point out that there are other subsequent secured creditors listed in the PPSA Search. We offer no opinion as to priority, and in particular without limitation, the operation of the laws of Canada and the Province of New Brunswick in effect from time to time creating statutory liens which may rank in priority to registered charges; and
4. we have not examined any records or conducted any searches other than those records and searches described above.



TD Canada Trust
Small Business Banking
Security Agreement/Assignment

Customer: 686949 N.B. LTD.

Branch: 9088

Security Interest

In consideration of us dealing with or continuing to deal with you, you grant to us a security interest in, and assign, charge and pledge to us (collectively the "Security Interest"), the Collateral indicated below. If no Collateral is indicated, you will be deemed to have indicated All Assets and Undertakings.

<input checked="checked" type="checkbox"/> X	All Assets and Undertakings	<input type="checkbox"/>	All Equipment	<input type="checkbox"/>	Deposits and Credit Balances	<input type="checkbox"/>	Life Insurance
<input type="checkbox"/>	Inventory	<input type="checkbox"/>	Specified Goods/Specified Collateral	<input type="checkbox"/>	Securities	<input type="checkbox"/>	Accounts and Book Debts

Indebtedness and Liability Secured

You agree that the obligations secured by the Security Interest are all of your indebtedness and liability to us, direct and indirect, absolute and contingent, whenever incurred, and including without limitation, existing indebtedness, future advances and your liability for costs and expenses and other obligations described in this Agreement (the "Obligations").

1. Definitions of Collateral

Assets and Undertakings - all of your present and after acquired personal property and undertakings including without limitation, Inventory, All Equipment, Specified Goods, Deposits and Credit Balances, Securities, Accounts and Book Debts (all as defined herein), all intangible and intellectual property, including, without limitation, an assignment of any rights in quota or licenses, any Proceeds (defined herein) and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

Inventory - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

All Equipment - all presently owned and after acquired tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures and other tangible personal property (other than inventory and consumer goods), including the assets, if any, described on the Schedule.

Specified Goods - the goods described on the Schedule.

Deposits and Credit Balances - all monies and credit balances, including interest due thereon, which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on the Schedule or in relation to the account designated on the Schedule and any renewals, replacements or substitutions of any such account (or all deposit and credit balances, if no amount is set out, and no account is designated on the Schedule).

Securities - All securities, security entitlements, financial assets, investment property, shares, bonds, notes, units or other interests of whatever type or kind in which you currently have, or hereafter acquire an interest as described on the Schedule (or all securities, if the Schedule is not completed) together with all substitutions or exchanges thereof, and all dividends, distributions and interest payments received or receivable upon or in respect of any of the foregoing whether paid in kind, money or property (collectively the "Securities").

2. Life Insurance

You absolutely assign and transfer to us the life insurance policy described on the Schedule, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums or for any other purpose (collectively called "Life Insurance"). All money or other form of payment received by you in payment of the Life Insurance shall be received and held by you in trust for us. You represent that there are no irrevocable or preferred

beneficiaries on the Life Insurance or that if there are, each such beneficiary has signed the Schedule.

3. Accounts and Book Debts

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and monies now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing, (collectively called "Book Debts"). All money or any other form of payment received by you in payment of any Book Debts shall be received and held by you in trust for us.

4. Collateral

The property over which you have granted us a Security Interest together with the Proceeds are herein called the "Collateral".

5. Proceeds

You grant us a fixed charge on the Collateral and all proceeds of the Collateral in any form derived directly or indirectly from any use or dealing with Collateral or that indemnifies or compensates for Collateral destroyed or damaged (collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

6. Costs and Expenses

You agree to pay all fees, costs and expenses (including legal fees on a solicitor and own client basis) incurred by us in the preparation, execution, registration and perfection of this Agreement and the carrying out of any provisions of this Agreement, including protecting and preserving the Security Interest and enforcing the rights and remedies provided in this Agreement.

7. Free and Clear

You are or will be the owner of the Collateral free from any mortgage, lien, charge, security interest, statutory lien or trust or other adverse interest or encumbrance, unless we agree otherwise in writing. You will keep the Collateral free and clear of all taxes, assessments, and security interests. You will not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business) without our prior written consent.

8. Maintaining the Collateral

You will care for, protect and preserve the Collateral and will not permit its value to be impaired. You will, at your cost, keep the Collateral insured. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us

as loss payee. We may, in our absolute discretion, pay any premium due on any insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations. We shall be entitled to inspect the Collateral wherever located and to make inquiries and tests concerning the Collateral. You will pay all expenses in connection with such inspection, inquiries and tests.

9. Securities

If Collateral includes Securities, you authorize us to transfer all or any Securities into our own name or into the name of our nominee(s) provided that, until default, we shall deliver to you all notices or other communications received by us or our nominee(s) as such registered owner. We give you a proxy authorizing you to take all action with respect to such Securities. After default, you waive all rights to receive any such notices or communications and agree that any proxy is no longer effective. At our request, you will execute any other agreements we deem necessary or desirable to protect our rights in and to the Securities.

Where a margin rate has been set (as advised by us to you) in respect of any Securities, you agree to maintain such Securities, on a mark to market basis, from time to time, in an amount such that the outstanding principal and interest balance of the credit advances to you (or guaranteed by you), or with respect to your line of credit (or the line of credit guaranteed by you), the credit limit, (whichever is greater) does not exceed the market value of such Securities calculated using such margin rate. We may, at any time change any margin rate and change the value of any Securities for purposes of valuing them as security

10. Location of Collateral

You agree that unless otherwise indicated on the Schedule, the Collateral, which is goods, is or will be located at the address shown below your signature to this Agreement. You will not remove the Collateral from this location or the locations specified on the Schedule (except in the ordinary course of your business) without our prior written consent.

11. Default

You shall be in default if:

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else;
- (c) you fail to perform any of the terms or conditions of this Agreement;
- (d) you become insolvent or the subject of bankruptcy or insolvency proceedings, or commit an act of bankruptcy;
- (e) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (f) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (g) you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (h) we believe, on reasonable grounds, that the Collateral, or any part thereof, will decline speedily in value; or
- (i) any other event occurs which causes us in good faith to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value therefore, is or about to be placed in jeopardy.

12. Remedies

If you are in default, we may require you to repay any or all of the Obligations, whether matured or not, and we may enforce this Agreement by any method permitted by law or in equity, and we may exercise any rights and remedies under applicable

law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) exercise any rights or options available to you under any Life Insurance, including surrender;
- (f) demand, sue for and receive Book Debts, give effectual receipts and discharges for the Book Debts, compromise any Book Debts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be responsible for any misconduct or negligence on the part of the Receiver. The rights and powers in this section are in supplement of and not in substitution for any other rights we may have from time to time.

13. Power of Attorney

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule, with the right to use your name and to take proceedings in your name.

14. Non-Waiver by Us

Any breach by you of this Agreement or the occurrence of a default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or default is also waived. Any failure by us to notify you of a default shall not be deemed to be a waiver of the default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

15. Dealing With Security Interest

We may take and give up any of the Security Interest or modify or abstain from perfecting or taking advantage of any of the Security Interest and otherwise deal with any of the Security Interest as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

16. Canada Small Business Financing Act

If the Security Interest granted herein is granted specifically to secure any loan made by us under the Canada Small Business Financing Act ("CSBFA"), then this section applies. The Security Interest granted herein with respect to any CSBFA loan shall rank in priority to any and all security interests that we have or may have with respect to your personal property, except that, in the circumstances contemplated by the Canada Small Business Financing Regulations where a pari passu ranking is required, the Security Interest granted herein with respect to any CSBFA loan shall rank pari passu with any and all security interests that we have or may have with respect to your personal property.

17. Definitions

In this Agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours" and "us" refer to The Toronto-Dominion Bank. The "Schedule" means the Schedule set out below or attached to this Agreement. The terms "accounts", "goods", "instrument", "intangible", "security", and "future advance" as used herein shall have the same meaning given to those terms in the Personal Property Security Act.

18. Continuing Effectiveness

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

19. Non-Substitution

The Security Interest is in addition to and not in substitution for any other security interest now or hereafter held by us.

20. Acknowledgement & Waiver

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

21. Entire Agreement

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

22. Binding Agreement

This Agreement is binding on your heirs and successors and assigns. Each person who signs this Agreement is jointly and severally liable under this Agreement. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto. You and we agree that the Security Interest created in this Agreement shall attach immediately upon executing this Agreement and will attach to Collateral in which you subsequently acquire any rights, immediately upon you acquiring such rights.

Schedule

Specified Goods

Deposits and Credit Balances

Amount \$: 0.00 ☐ CAD ☐ USD

Securities

Life Insurance

Issuer: _____

Life Insured: _____

Face Amount \$ _____

Policy No. _____

I am an irrevocable beneficiary under the Life Insurance policy assigned hereunder and I hereby consent to this assignment.

Beneficiary's Signature: _____

Print Name: _____

Beneficiary's Signature: _____

Print Name: _____

Beneficiary's Signature: _____

Print Name: _____

Specified Collateral

Quota/Licence No. _____ issued by _____ (including any successor marketing board or licencing authority in respect of marketing or setting prices for the same commodity their successors and assigns in each case called the "Board") and proceeds therefrom.

Additional Covenants of Customer Applicable to Above Collateral:

1. By executing this Agreement, Customer has granted an assignment to The Toronto-Dominion Bank of any and all rights of the Customer in and to the above quota/licence and any proceeds thereof.
2. Customer agrees to maintain all of the above quota/licence rights in good standing and to comply with all of the rules, regulations and orders of the Board issuing such quota/licence.
3. Customer agrees to not apply to the Board for the transfer of the above quota/licence, in whole or in part, without the prior written consent of The Toronto-Dominion Bank.
4. The security and/or rights hereby granted shall extend to and include all future acquired quota/licence rights issued by the Board to the Customer.
5. The Customer agrees that the Customer has not heretofore granted and will not grant an assignment of the Customer's rights in and to the above quota/licence and the proceeds thereof to any other party without the prior written consent of The Toronto-Dominion Bank.

Location of Collateral (if not located at the address shown below the Customer's signature - include Street/Town/City and Province):

1. 919 CH CANADA ROAD
EDMUNSTON, NB E3V 3X2 CA

I/We have authority to bind the Customer

Customer's Signature: _____

X Date: May 25, 2021

Print Name: _____

JAMES JINSEONG YOUM

Customer's Signature: _____

X Date: May 25, 2021

Print Name: _____

SUN HYESHIUNG

Customer's Signature: _____

X Date: May 25, 2021

Print Name: _____

YOON-JOO KIM

Customer's Signature: _____

X Date: May 25, 2021

Print Name: _____

VANESSA LIM

Customer's Signature: _____

X Date: _____

Print Name: _____

Customer's Signature: _____

X Date: _____

Print Name: _____

Address: 919 CH CANADA ROAD EDMUNSTON NB E3V 3X2

Form 15

MORTGAGE

Land Titles Act, S.N.B. 1981, c.L-1.1, s.25
Standard Forms of Conveyances Act, S.N.B. 1980, c.S-12.2, s.2

Parcel Identifier: 35257328

Mortgagor: 686949 N.B. Ltd.
130 McDowell WYND
Leduc AB
T9E 0M3

Mortgagee: City Hotels NB Ltd.
106 Airport RD
St. John's NL
A1A 4Y3

Manner of Tenure: Not Applicable

Principal Sum: \$1,440,000.00

Interest Rate: See Schedule "G"

How Interest Calculated: yearly not in advance, before and after maturity of this mortgage, and both before and after default and judgment, until paid.

Interest Adjustment Date: March 1, 2016

Term: See Schedule "G"

Payments: See Schedule "G"

Payment Dates: beginning on the 29th day of March, 2016 and continuing on the 29th day of each and every following month until expiry of the Term or until paid in full.

Maturity Date: January 29, 2021

Place Of Payment: the mortgagee's registered office in New Brunswick, or at any other place the mortgagee may designate.

Statutory Covenants and Conditions Excluded: 102, 104, 106, 107, 109, 111, & 113

Optional Covenants and Conditions Included: 120, 122, 123, 124, 127, 130, 135, 143 & COXPAL - 2716

The Schedule "G" attached hereto forms part of this Mortgage.

The mortgagor mortgages to the mortgagee in the specified manner of tenure the specified parcel to secure repayment of the principal sum with interest as well after as before maturity as specified.

The mortgagor acknowledges receipt of the text of the covenants and conditions which are contained in this mortgage by reference to the distinguishing number or by virtue of subsection 25(4) of the Land Titles Act, and agrees to be bound by them to the same extent as if set out at length herein.

Date: 2016-02-26

Mortgagor:



686949 N.B. Ltd.
James Youm, President

SCHEDULE "G"

Interest Rate: 4.25% per annum for the Initial Term. If the Mortgagee, in accordance with the terms hereof, extends the Term for an additional 5 years upon expiry of the Initial Term, the rate of interest during the additional 5 year term shall be equal to the Bank of Montreal's then annual prime rate of interest, plus two point five percent (2.5%) per annum.

Term: 5 Years from the Interest Adjustment Date (the "Initial Term"), provided if the Mortgagor is not in default under any of the terms of the Mortgage, the Mortgagor may, in its sole discretion and without consent of the Mortgagee, extend the Mortgage for a further term of 5 Years, to expire on January 28th, 2026 ("the Final Maturity Date") at the written request of the Mortgagor to be provided to the Mortgagee at least 30 days in advance of the Maturity Date.

Amortization Period: The amortization period for the Mortgage is 15 years.

Payments: The first thirty-six (36) scheduled monthly loan payments shall be interest only at the Interest Rate [the first monthly loan payment shall be in the amount of \$5,604.80 and the thirty-five (35) consecutive monthly loan payments thereafter shall be in the amount of \$5,100.00]. Beginning on the thirty-seventh (37th) scheduled monthly loan payment and continuing to the Maturity Date, the monthly loan payments shall be as follows (\$10,000.00 of each of which shall be on account of the Principal Sum and the balance of each of which shall be on account of interest):

Scheduled Monthly Payment : Total Payment Amount

#37 : \$15,100.00
 #38 : \$15,064.58
 #39 : \$15,029.17
 #40 : \$14,993.75
 #41 : \$14,958.33
 #42 : \$14,922.92
 #43 : \$14,887.50
 #44 : \$14,852.08
 #45 : \$14,816.67
 #46 : \$14,781.25
 #47 : \$14,745.83
 #48 : \$14,710.42
 #49 : \$14,675.00
 #50 : \$14,639.58
 #51 : \$14,604.17
 #52 : \$14,568.75
 #53 : \$14,533.33
 #54 : \$14,497.92
 #55 : \$14,462.50
 #56 : \$14,427.08
 #57 : \$14,391.67
 #58 : \$14,356.25
 #59 : \$14,320.83
 #60 : \$14,285.42
 #61 : \$14,250.00
 #62 : \$14,214.58
 #63 : \$14,179.17
 #64 : \$14,143.75
 #65 : \$14,108.33
 #66 : \$14,072.92
 #67 : \$14,037.50
 #68 : \$14,002.08
 #69 : \$13,966.67
 #70 : \$13,931.25

The balance, if any, of the Principal Sum and interest thereon at the Interest Rate shall become due and payable and be paid on the Maturity Date, unless the Initial Term is extended for an additional 5 years pursuant to the terms hereof, in which case, the balance, if any, of the Principal Sum and interest thereon at the Interest Rate shall become due and payable and be paid on the Final Maturity Date. Provided if the Mortgagor is not in default under any of the terms

of the Mortgage, the Mortgagor may repay the Principal Sum, in whole or in part, at any time, and from time to time.

FORM 45

AFFIDAVIT OF CORPORATE EXECUTION

Land Titles Act, S.N.B. 1981, c. L-1.1, s. 55

Deponent: James Youm
130 McDowell Wynd
Leduc, AB T9E 0M3

Office Held by Deponent: President

Corporation 686949 N.B. Ltd.

Office Held by Other Officer
Who Executed the Instrument: President

Place of Execution: Edmonton Alberta

Date of Execution February 26, 2016

I, the deponent, make oath and say:

1. that I hold the office specified above in the corporation specified above, and am authorized to make this affidavit and have personal knowledge of the matters hereinafter deposed to;
2. that the attached instrument was executed by me as the officer duly authorized to execute the instrument on behalf of the corporation;
3. that the corporation has no seal;
4. that the instrument was executed at the place and on the date specified above; and
5. that the ownership of a share of the corporation does not entitle the owner to occupy the parcel described in the attached instrument as a marital home.

SWORN TO at Edmonton
Alberta, on February 26, 2016
BEFORE ME:

A Notary Public
Province of Alberta
THOMAS F. PONTIN
Barrister and Solicitor

James Youm

Form 15

MORTGAGE

Land Titles Act, S.N.B. 1981, c.L-1.1, s.25
Standard Forms of Conveyances Act, S.N.B. 1980, c.S-12.2, s.2

Parcel Identifier: 35257328

Mortgagor: 686949 N.B. Ltd.
130 McDowell WYND
Leduc AB
T9E 0M3

Mortgagee: City Hotels NB Ltd.
106 Airport RD
St. John's NL
A1A 4Y3

Manner of Tenure: Not Applicable

Principal Sum: \$1,440,000.00

Interest Rate: See Schedule "G"

How Interest Calculated: yearly not in advance, before and after maturity of this mortgage, and both before and after default and judgment, until paid.

Interest Adjustment Date: March 1, 2016

Term: See Schedule "G"

Payments: See Schedule "G"

Payment Dates: beginning on the 29th day of March, 2016 and continuing on the 29th day of each and every following month until expiry of the Term or until paid in full.

Maturity Date: January 29, 2021

Place Of Payment: the mortgagee's registered office in New Brunswick, or at any other place the mortgagee may designate.

Statutory Covenants and Conditions Excluded: 102, 104, 106, 107, 109, 111, & 113

Optional Covenants and Conditions Included: 120, 122, 123, 124, 127, 130, 135, 143 & COXPAL - 2716

The Schedule "G" attached hereto forms part of this Mortgage.

The mortgagor mortgages to the mortgagee in the specified manner of tenure the specified parcel to secure repayment of the principal sum with interest as well after as before maturity as specified.

The mortgagor acknowledges receipt of the text of the covenants and conditions which are contained in this mortgage by reference to the distinguishing number or by virtue of subsection 25(4) of the Land Titles Act, and agrees to be bound by them to the same extent as if set out at length herein.

Date: 2016-02-26

Mortgagor:

686949 N.B. Ltd.
James Youm, President

Registrar of Land Titles for the District of New Brunswick

Registration Date & Time: 2016-03-03 15:52:02

Registration Number: 35735605

Report ID: 4928058

SCHEDULE "G"

Interest Rate: 4.25% per annum for the Initial Term. If the Mortgagee, in accordance with the terms hereof, extends the Term for an additional 5 years upon expiry of the Initial Term, the rate of interest during the additional 5 year term shall be equal to the Bank of Montreal's then annual prime rate of interest, plus two point five percent (2.5%) per annum.

Term: 5 Years from the Interest Adjustment Date (the 'Initial Term'), provided if the Mortgagor is not in default under any of the terms of the Mortgage, the Mortgagor may, in its sole discretion and without consent of the Mortgagee, extend the Mortgage for a further term of 5 Years, to expire on January 28th, 2026 ('the Final Maturity Date') at the written request of the Mortgagor to be provided to the Mortgagee at least 30 days in advance of the Maturity Date.

Amortization Period: The amortization period for the Mortgage is 15 years.

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Scheduled Monthly Payment : Total Payment Amount

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 #67 : \$14,037.50
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 #69 : \$13,966.67
 #70 : \$13,931.25

The balance, if any, of the Principal Sum and interest thereon at the Interest Rate shall become due and payable and be paid on the Maturity Date, unless the Initial Term is extended for an additional 5 years pursuant to the terms hereof, in which case, the balance, if any, of the Principal Sum and interest thereon at the Interest Rate shall become due and payable and be paid on the Final Maturity Date. Provided if the Mortgagor is not in default under any of the terms

of the Mortgage, the Mortgagor may repay the Principal Sum, in whole or in part, at any time, and from time to time.

**Form 47
Formule 47**

**CERTIFICATE OF REGISTERED OWNERSHIP
CERTIFICAT DE PROPRIÉTÉ ENREGISTRÉE**

**Land Titles Act, S.N.B. 1981, c. L-1.1, s.63
Loi sur l'enregistrement foncier, L.N.-B. de 1981, chap. L-11, art. 63**

Parcel Identifier | Numéro d'identification de parcelle :

35257328

Owner | Propriétaire :

686949 N.B. Ltd.		
c/o Actus Law Droit		
900 Main ST		
Moncton NB		
E1C 1G4		
Deed/Transfer Acte de transfert/Transfert		
Madawaska	2016-03-03	35735571

Manner of Tenure | Mode de tenure :

Not Applicable | Sans objet

Encumbrances | Charges :

City Hotels NB Ltd.		
106 Airport RD		
St. John's NL		
A1A 4Y3		
Mortgagee Créancier hypothécaire		
Mortgage Hypothèque		
Madawaska	2016-03-03	35735605
JYSK Holdings Ltd.		
3132 Parsons RD NW UNIT 208		
Edmonton AB		
T6N 1L6		
Claimant Réclamant		
Lis Pendens Affaire en instance		
Madawaska	2025-01-10	45704229

Instruments in the Registration Process | Instruments dans le processus d'enregistrement :

NONE | AUCUN

THIS IS TO CERTIFY THAT the specified owner is the registered owner and holds title in fee simple, by virtue of the specified instrument(s) and in the specified manner of tenure, to the specified parcel, described in Schedule "A" attached hereto. The title to the land is subject to the overriding incidents specified in subsection 17(4) of the Act and also to the specified encumbrances.

LE PRÉSENT CERTIFICAT ATTESTE QUE le propriétaire spécifié est le propriétaire enregistré et est titulaire du titre en fief simple, en vertu de(s) l'instrument(s) spécifié(s), selon le mode spécifié de tenure de la parcelle spécifiée, décrite à l'Annexe <<A>> ci-jointe. Le titre du bien-fonds est soumis aux réserves dérogatoires précisées au paragraphe 17(4) de la Loi et également aux charges spécifiées.

THE TITLE TO THE LAND may be subject to the specified instruments, which have been entered in the instrument record and may be entered on the title register when the registration process is completed. LE TITRE DU BIEN-FONDS peut être soumis aux instruments spécifiés qui ont été portés au registre des instruments et qui peuvent être portés au registre des titres lorsque la procédure d'enregistrement est achevée.

THIS CERTIFICATE is evidence of the particulars contained herein as of the date and time of its issue. The description is not conclusive as to the boundaries or extent of the land.

LE PRÉSENT CERTIFICAT constitue la preuve des renseignements qu'il contient à la date et à l'heure de sa délivrance. La description n'est pas probante en ce qui concerne les limites ou l'étendue du bien-fonds.

Date & Time | Date et heure : 2025-02-27 16:31:29

Registrar of Land Titles for the District of New Brunswick

Le registrateur des titres de biens-fonds de la Circonscription du Nouveau-Brunswick

Report ID | Rapport ID : 7861224

Schedule A | Annexe A

PID | NID : 35257328

Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2004-11-05 12:54:55

Legal Description | Description officielle :

That parcel of land and premises in:

Place Name: Edmundston

Parish/County: Madawaska/Madawaska

Described as follows: BEGINNING at a point on the easterly sideline of Canada Road where the dividing line between the property of Nelson Monuments Ltd. and Kennedy Developments Ltd. intersects the said sideline; thence northerly along the easterly side of Canada Road following a gradual curve to the right a distance of nine hundred thirty-eight point five six feet, more or less, to a point marking the intersection of the said easterly sideline of Canada Road with the boundary line between the lands of Her Majesty The Queen In Right Of The Province of New Brunswick and the lands of Kennedy Developments Ltd.; thence one hundred and five degrees thirty-six minutes ten seconds a distance of two hundred fifty-seven point zero eight feet to a point on the westerly limits of the Trans Canada Highway; thence following the limits of the Trans Canada Highway one hundred fifty-five degrees zero five minutes fifty seconds a distance of four hundred ninety-seven point four eight feet to a point; thence following said limits easterly forty-one feet to a point; thence southerly along said limits two hundred six feet to a point marking the intersection of the westerly limits of the Trans Canada Highway with the boundary line between the property of Nelson Monuments Ltd. and Kennedy Developments Ltd.; thence southwesterly along said boundary two hundred thirty-three feet more or less to the point or place of beginning. Being and intending to be all of the lands of the said Kennedy Developments Ltd. located between the Trans Canada Highway and Canada Road and bounded northerly by the lands of Her Majesty The Queen and southerly by the lands of Nelson Monuments Ltd.

BEING the same lands conveyed in Deed Number 183147 to RoyNat Inc., registered in the Madawaska County Registry Office on April 6, 1993 in Book 725 at Page 543.

Excepting the following parcels:

Lot 85-1 on Plan 416, registered in the Madawaska County Registry Office on October 22, 1987

Lot 99-1 on Plan Number 10343185, registered in the Madawaska County Registry Office on July 8, 1999.

This report lists registrations in the Personal Property Registry that match the following search criteria

Province or Territory Searched: New Brunswick
Type of Search: Debtors (Enterprise)
Search Criteria: 686949 N.B. Ltd
Date and Time of Search (YYYY-MM-DD hh:mm): 2025-01-02 10:44 (Atlantic)
Transaction Number: 26515873
Searched By: P189565

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	35252998	686949 N.B. LTD.	EDMUNSTON
*	*	38361069	686949 N.B. Ltd	EDMUNDSTON
*	*	40911737	686949 N.B. Ltd	Edmunston

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 3 registration(s) contained information that **exactly** matched the search criteria you specified.

- 0 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 35252998

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	35252998	2021-05-19 16:05	2026-05-19	1772243-CT9

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise

686949 N.B. LTD.
919 CH CANADA ROAD
EDMUNSTON NB E3V 3X2
Canada

Secured Parties

Type: Enterprise
THE TORONTO-DOMINION BANK - 82509
630-3803 CALGARY TRAIL NW
Edmonton AB T6J 5M8
Canada
Fax #: 403-448-8548

General Collateral

ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY

Registration Details for Registration Number: 38361069

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	38361069	2023-05-04 13:21	2029-05-04	AVS25189430

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Individual
YOUM, JAMES JINSEONG
919 CHEMIN CANADA
EDMUNDSTON NB E3V3X2
Canada
Date of Birth (YYYY-MM-DD) 1973-01-02

Type: Enterprise
686949 N.B. Ltd.
919 CHEMIN CANADA
EDMUNDSTON NB E3V3X2
Canada

Secured Parties

Type: Enterprise
MERIDIAN ONECAP CREDIT CORP
204 - 3185 Willingdon Green
Burnaby BC V5G4P3
Canada

General Collateral

WATER TANK(S), LOCK SYSTEM(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL

Registration Details for Registration Number: 40911737

Province or Territory: New Brunswick
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	40911737	2024-11-26 16:59	2030-11-26	AVS37228322

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
686949 N.B. Ltd.
919 Chemin Canada
Edmunston NB E3V3X2
Canada

Secured Parties

Type: Enterprise
MERIDIAN ONECAP CREDIT CORP
204 - 3185 Willingdon Green
Burnaby BC V5G4P3
Canada

General Collateral

CONDENSING BOILER (S)
TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN

INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

END OF REPORT

EXHIBIT “F”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. 001

AMOUNT \$ 15,163.21

- i. THIS IS TO CERTIFY that Powell Associates Ltd., the receiver (the "Receiver") of the assets, undertakings and properties 686949 NB Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Court of King's Bench of New Brunswick (the "Court") dated the 21st day of February, 2025 (the "Order") made in an action having Court file number SJM/31/ 2025 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 15,163.21, being part of the total principal sum of \$ 250,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.
- ii. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [~~daily~~] monthly not in advance on the 14th day of each month] after the date hereof at an interest rate of 8 per cent (8.00%) annum.
- iii. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such

825
21/02/25
19K3

Property in respect of its remuneration and expenses.

- iv. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at City Hotels NB Ltd,
106 Airport Road, St. John's, NL A1A 1Y3
- v. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- vi. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
- vii. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the 14th day of March, 2025.

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

Per: _____

Name: Paul Moffett CIRP, LIT

Title: Vice President

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. 003

AMOUNT \$ 44,500.00

- i. THIS IS TO CERTIFY that Powell Associates Ltd., the receiver (the "Receiver") of the assets, undertakings and properties 686949 NB Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Court of King's Bench of New Brunswick (the "Court") dated the 21st day of February, 2025 (the "Order") made in an action having Court file number SJM/31/ 2025 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 44,500.00, being part of the total principal sum of \$ 250,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.
- ii. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [~~daily~~] monthly not in advance on the last day of each month] after the date hereof at an interest rate of 8 per cent (8.00%) annum.
- iii. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such

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21/02/25
JMK

Property in respect of its remuneration and expenses.

- iv. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Judy Sparkes-Giannou,
9 Kensington Drive, St. John's, NL A1A 5A9
- v. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- vi. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
- vii. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

Effective the 1st day of April, 2025

DATED the 27th day of June, 2025.

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

Per: _____

Name: Paul Moffett CIRP, LIT

Title: Vice President

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. 004

AMOUNT \$ 44,505.00

- i. THIS IS TO CERTIFY that Powell Associates Ltd., the receiver (the "Receiver") of the assets, undertakings and properties 686949 NB Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Court of King's Bench of New Brunswick (the "Court") dated the 21st day of February, 2025 (the "Order") made in an action having Court file number SJM/31/ 2025 has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ 44,505.00, being part of the total principal sum of \$ 250,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.
- ii. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [~~daily~~] monthly not in advance on the last day of each month] after the date hereof at an interest rate of 8 per cent (8.00%) annum.
- iii. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such

82
21/02/25
JMK

Property in respect of its remuneration and expenses.

- iv. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at City Hotels Ltd.
102 Kenmount Road, St. John's, NL A1B 3R2
- v. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
- vi. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property (as defined in the Order) as authorized by the Order and as authorized by any further or other order of the Court.
- vii. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

EFFECTIVE the 4th day of April, 2025

DATED the 27th day of June, 2025.

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

Per: _____

Name: Paul Moffett CIRP, LIT

Title: Vice President

In the Matter of the Receivership of 686949 N.B. Ltd.

Receiver's Certificates - Payout Calculations

Interest Rate: 8% Per Annum

Calculation Date: 17-Jun-25

Certificate #	Advance Date	Lender	Amount	Interest	Total
001	17-Mar-25	City Hotels NB Ltd.	\$ 15,163.21	305.76	15,468.97
003	1-Apr-25	Judy Sparkes-Giannou	44,500.00	751.01	45,251.01
004	4-Apr-25	City Hotels Ltd.	44,505.00	721.83	45,226.83
			104,168.21	1,778.61	<u>\$ 105,946.82</u>

Per Diem Interest \$ 23.22

EXHIBIT “G”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.



Service de la facturation/Billing Department

Tel. : (506) 739-2118

Fax : (506) 737-6919

E-mail : service@edmundston.ca

Date : JUNE 13, 2025.

To whom it may concern,

In reference to City of Edmundston's By-Laws #24 and #26, we confirm, by the present document, that the following amounts are due to the City of Edmundston for the property owned by,

located at 919 CANADA ROAD, EDMUNDSTON, NB. E3V 3X2

WATER & SEWER

The amount of \$ 3659.59 is due for JANUARY 14, 2025, for the period of SEPTEMBER 17, 2024 to DECEMBER 17, 2024.

Current amount: \$ -

Arrears: \$ 3731.58

TOTAL WATER & SEWER: \$ 3731.58

ENERGY

The amount of \$ 7835.26 is due for FEBRUARY 13, 2025, for the period of DECEMBER 17, 2024 to JANUARY 16, 2025.

Current amount (0-60 days): \$ -

Arrears (60 days or more): \$ 14,641.65

TOTAL ENERGY: \$ 14,641.65

Notes :

TOTAL FOR WATER & SEWER AND ENERGY: \$ 18,373.23

SYLVIE c. MICHAUD

Customer Service and Billing

***** In reference to the Local Governance Act *****

Please note that final energy invoice is the responsibility of the owner.

EXHIBIT “H”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

**TAX CERTIFICATE
REAL PROPERTY TAXES**

**CERTIFICAT D'IMPÔT
IMPÔTS SUR BIENS IMMOBILIERS**

Powell Associates Ltd.

To:
À:

REF: 49FK4888

686949NB

The taxes and penalties owing to the Province upon the real property of :

(1) Les impôts et pénalités dus à la province sur la propriété foncière de:

Name 686949 NB LTD
Nom

Address 208-3132 PARSONS RD NW
Adresse EDMONTON AB T6N 1L6

being located at 919 CANADA RD
étant située à

and described as
et décrit comme Hotel, Restaurant & Lot

having Property Account Number 05128219
portant le numéro de compte des biens

under the Real Property Tax Act are (2025 LEVY \$ 63,894.66) \$130,723.62
conformément à la Loi sur l'impôt foncier sont

Asale of the property

(2) La propriété

☐ has
a ☒ has not
n'a pas

been held for taxes under the provisions of the Real Property Tax Act
within 30 days prior to the date of this Certificate.

été vendue pour impôts en application des dispositions de la Loi sur
l'impôt foncier dans les 30 jours précédant la date du présent certificat.

The facts herein are as they existed according to the records kept under
the Real Property Tax Act; however the facts may change, subsequent to
the issuance of this Certificate, as a result of a change in the assessment
of the subject property pursuant to the provisions of the Assessment Act
or the Residential Property Tax Relief Act, or as a result of a payment
being charged back as non-negotiable.

(3) Les faits ici déclarés sont inchangés d'après les dossiers maintenus en
application de la Loi sur l'impôt foncier mais peuvent changer après
l'émission du présent certificat advenant une modification à l'évaluation
de la propriété en question conformément aux dispositions de la Loi sur
l'évaluation ou de la Loi sur le dégrèvement d'impôts applicables aux
résidences, ou à la suite d'un paiement débité comme étant non

This Certificate is issued in accordance with the provisions of the Real
Property Tax Act.

Le présent certificat est émis en vertu des dispositions de la Loi sur
l'impôt foncier.

Dated at Fredericton, in the County of York, in the Province of New
Brunswick, this

Fait à Fredericton, dans le comté de York et province du Nouveau-
Brunswick, ce

Y	A	M	M	D	J
2025	06	13			

FINANCE AND TREASURY BOARD
FINANCES ET CONSEIL DU TRÉSOR

REVENUE ADMINISTRATION DIVISION
DIVISION DE L'ADMINISTRATION DU REVENU

Per
Par Marie Josee Ekwan

EXHIBIT “I”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Canada Revenue
AgencyAgence du revenu
du CanadaAtlantic CVP & LPRA TSO
Beechville NS B3J 2T5

June 24, 2025

POWELL ASSOCIATES LTD.
302-133 PRINCE WILLIAM STREET
SAINT JOHN NB E2L 2B5

To Whom It May Concern:

Subject: 686949 N.B. Ltd.

We were told that you have been appointed as receiver for the above-named. There is a debt owed to the Canada Revenue Agency for source deductions amounting to \$25,990.99 for income tax and Canada Pension Plan (CPP) contributions, as well as employment insurance (EI) premiums.

Details of the debt are as follows:

Tax deductions:	\$20,123.57
CPP:	\$1769.94
EI:	\$649.08
Penalties and interest:	\$3,448.40
Total:	\$25,990.99

Further to the Income Tax Act, the Canada Pension Plan, and the Employment Insurance Act, the following amounts, which are included in the above totals, are trust funds and form no part of the property, business, or estate of 686949 N.B. Ltd. in receivership.

Federal income tax:	\$11,188.39
Provincial income tax:	\$6,273.12
CPP employee part:	\$884.97
EI employee part:	\$270.45
Total:	\$19,392.39

Payment for the total amount of this trust, namely \$19,392.39, must be made to the Receiver General for Canada out of the realization of any property that is subject to these statutory trusts in priority to all other creditors.

.../2

National Insolvency Office
145 Hobsons Lake Drive
Beechville NS B3J 2T5Local: 902-719-4586
Fax: 833-540-3353
Web site: canada.ca/taxes

- 2 -

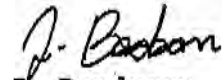
Please let us know when payment of this trust amount and the remaining balance of \$6,598.60 will be made.

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

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

For more information or clarification, please call me at 902-719-4586.

Yours truly,



J. Boudreau
Resource/Complex Case Officer

EXHIBIT “J”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

March 19, 2025

Via Email: wck@brentonkean.com
dl@brentonkean.com

William Kean
Debbie Northrup
Brenton Kean
75 Prince William Street, 4th Floor
Saint John, NB

Dear Sirs/Madam;

**RE: SUNHYE CHUNG and
693791 N.B. Ltd., 686949 N.B. Ltd., 696755 N.B. Ltd., and JAMES YOUM
Court file no.: MM-190-2024
Our File No.: 41899**

I acknowledge receipt of yours of April 8, 2025 with enclosed Notice of Motion and First Report of the Receiver.

There is a mistake in my email listing on the service list.

My email address is egehrhardt@bingham.ca. On the service list, for some reason, there is a “W” inserted in my email address between the “t” and the “@”.

In any event, I have forwarded the Motion and the Report to James Youm. I have drawn his attention to the comments in the report with respect to the provision of documents and information.

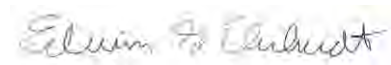
I again confirm that the last time I was speaking with Mr. Youm he did advise that he had been undergoing a course of treatment for a very serious illness.

Having said that, I do not know his present medical condition, but I have advised him that to the extent he has any documentation or information relating to the relevant accounts of 686949 N.B. Ltd., that he must forward that to the Receiver.

Also, this is to confirm that I have no instructions regarding the Motion, and considering the relief sought in the Motion, I cannot see there would be any opposition to same. Accordingly, I will not be attending the Hearing. I have no problem with you so advising the Court, including putting this correspondence before the Honorable Mr. Justice Stephenson.

BINGHAM.CA

Yours very truly,

A handwritten signature in dark ink, appearing to read "Edwin G. Ehrhardt". The signature is written in a cursive style with a prominent "E" and "H".

Edwin G. Ehrhardt
EGE/pg

cc: Paul Moffett - pmoffett@maritimetrustee.ca

DM#1326558

BINGHAM.CA

EXHIBIT “K”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

URGENT

BY MAIL

June 16, 2025

Canada Revenue Agency
275 Pope Rd,
Summerside, PE C1N 0E1

Dear Madam/Sir:

Re: 686949 NB Ltd dba Travelodge Edmundston. (the “Corporation” or “Debtor”)
Business No: 78898 8723 RT0001

Please find enclosed:

1. HST Return for the Period 2024-04-01 to 2025-02-21;

The attached returns were completed using very limited information provided by the Debtor and the Trustee has not audited same and makes no representations or warranties as to accuracy of the information. This return will act to replace the arbitrary assessment already done by CRA for the same period.

Because this receivership is nearing completion and the receiver requires a claim from CRA for payment of its balances owing, **YOUR URGENT ATTENTION TO THIS ASSESSMENT IS APPRECIATED.**

If you have any questions regarding this matter, please do not hesitate to contact the undersigned.

Yours truly,

POWELL ASSOCIATES LTD.

In its capacity as Trustee in Bankruptcy for
the Debtor, and not in its personal capacity



Paul Moffett, MBA CIRP LIT
Vice President

D: 506.638.9131 | pmoffett@maritimetrustee.ca



Canada Revenue
Agency

Agence du revenu
du Canada

GOODS AND SERVICES TAX / HARMONIZED SALES TAX (GST/HST) RETURN
(NON-PERSONALIZED)

Part 1

Protected B when completed
Administered by the Canada Revenue Agency.

Business Number 788988723 RT0001	Name 686949 NB Ltd. (dba Travelodge Edmundston)
Reporting period From: 2024-04-01 to: 2025-02-21	Due date 2025-03-21

Working copy (for your records)
Disponible en français

► Copy your Business Number, the reporting period, and the amounts from the **highlighted** line numbers in **Part 1** of this return to the corresponding boxes in **Part 2**. Keep **Part 1** for your records.

Privacy Act, personal information bank number CRA PPU 047

Enter your total sales and other revenue . Do not include provincial sales tax, GST or HST. If you are using the Quick Method of accounting, include the GST or HST.	101 1,561,514.56 00
---	-----------------------------------

Net tax calculation

Enter the total of all GST and HST amounts that you collected or that became collectible by you in the reporting period.	103
Enter the total amount of adjustments to be added to the net tax for the reporting period (for example, the GST/HST obtained from the recovery of a bad debt).	104

Total GST/HST and adjustments for period (add lines 103 and 104) →

105 234,227.18

Enter the GST/HST you paid or that is payable by you on qualifying expenses (input tax credits – ITCs) for the current period and any eligible unclaimed ITCs from a previous period.	106
Enter the total amount of adjustments to be deducted when determining the net tax for the reporting period (for example, the GST/HST included in a bad debt).	107

Total ITCs and adjustments (add lines 106 and 107) →

108 35,755.95
109 198,471.24

Net tax (subtract line 108 from line 105). If the result is negative, enter a minus sign in the separate box next to the line number.

+

Other credits if applicable

Do not complete line 111 until you have read the instructions on the back of this return.

Enter any instalment and other annual filer payments you made for the reporting period. If the due date of your return is June 15, see the instructions on the back of this return.	110
Enter the total amount of the GST/HST rebates , only if the rebate form indicates that you can claim the amount on this line. File the rebate application with this return. If you file the return electronically and do not file the rebate application electronically, send the rebate application to us by mail.	111

Total other credits (add lines 110 and 111) →

112
113 A

Balance (subtract line 112 from line 109). If the result is negative, enter a minus sign in the separate box next to the line number.

Other credits if applicable

Do not complete line 205 or line 405 until you have read the instructions on the back of this return.

Enter the total amount of the GST/HST due on the acquisition of taxable real property .	205
Enter the total amount of other GST/HST to be self-assessed .	405

Total other debits (add lines 205 and 405) →

113 B
113 C

Balance (add lines 113 A and 113 B). If the result is negative, enter a minus sign in the separate box next to the line number.

Line 114 and line 115: If the result entered on line 113 C is a negative amount, enter the amount of the refund you are claiming on line 114. If the result entered on line 113 C is a positive amount, enter the amount of your payment on line 115.

▼ Detach and return lower portion (Part 2). ▼

REFUND CLAIMED
114

Amount owing
115

GST62-5 E (15)



Canada Revenue
Agency

Agence du revenu
du Canada

GST/HST RETURN (NON-PERSONALIZED)

Part 2

GST62-5 E (15)

YOU MUST COMPLETE THIS AREA AND THE REVERSE AREA

Business Number 788988723 RT0001	From: 20240401 to: 20250221	20 5
Sales and other revenue 101 1 561 514.56	Total GST/HST and adjustments for this period 105 234 227.18	
Instalments and other annual filer payments 110	Total ITCs and adjustments 108 35 755.95	
Rebates 111	Net tax 109 198 471.24	
GST/HST due on acquisition of taxable real property 205	Refund claimed 114	
Other GST/HST to be self-assessed 405	Payment enclosed 115 0 0 0	

COMPLETE THE IDENTIFICATION SECTION
ON THE BACK OF THIS RETURN BEFORE
YOU SEND IT TO US.

I certify that the information given on this return and in any attached documents is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the registrant, or that I am authorized to sign on behalf of the registrant. It is a serious offence to make a false return.

File by Powell Associates Ltd. in its capacity as

SECOND REPORT EXHIBIT PAGE 257 of 333

June 16, 2025

Date

686949 NB Ltd.
HST Liability Estimate
April 1, 2024 to February 21, 2025
78898 8726 RT0001

	Estimate	HST @15%
Sales (Based on Occupancy Reports)		
Apr-24	72,961.12	10,944.17
May-24	87,375.26	13,106.29
Jun-24	183,762.88	27,564.43
Jul-24	370,283.06	55,542.46
Aug-24	472,442.97	70,866.45
Sep-24	175,736.23	26,360.43
Oct-24	54,243.53	8,136.53
Nov-24	75,802.48	11,370.37
Dec-24	68,907.03	10,336.05
Jan-25		
21-Feb-25		
	1,561,514.56	234,227.18

Appears to be a 1/2 month misssing from reports

Input Tax Credits (Based
on reports from 3 Major
Suppliers)

	Wyndham		City of Edmundston		Superior Propane		Total	
	Franchise & Marketing	HST	Electricity	HST	Gross Propane + Fed Fuel Surcharge	HST	Total	HST
Apr-24	5,455.28	818.29	5,759.31	863.90	6,302.33	945.35	17,516.92	2,627.54
May-24	6,475.87	971.38	4,000.38	600.05	3,412.99	511.95	13,889.24	2,083.38
Jun-24	14,069.40	2,110.41	3,640.09	546.01	2,980.60	447.09	20,690.09	3,103.51
Jul-24	26,279.42	3,941.91	4,941.60	741.24	3,544.89	531.73	34,765.91	5,214.88
Aug-24	33,430.60	5,014.59	5,795.93	869.39	3,062.82	459.42	42,289.35	6,343.40
Sep-24	12,649.53	1,897.43	5,131.08	769.66	5,031.19	754.68	22,811.80	3,421.77
Oct-24	9,005.64	1,350.85	3,932.82	589.92	6,370.94	955.64	19,309.40	2,896.41
Nov-24	5,654.17	848.13	4,951.48	742.72	10,211.97	1,531.80	20,817.62	3,122.65
Dec-24	6,041.10	906.16	5,650.76	841.97	14,587.48	2,188.12	26,279.34	3,936.25
Jan-25	1,091.44	163.72	6,813.27	1,021.99	6,656.93	998.54	14,561.64	2,184.25
Feb-25			5,479.43	821.91			5,479.43	821.91
	120,152.45	18,022.87	56,096.15	8,408.76	62,162.14	9,324.32	238,410.74	35,755.95

	Amount	HST
Gross Sales	1,561,514.56	234,227.18
ITC's	(238,410.74)	(35,755.95)
Net Balance Owing	1,323,103.82	198,471.24

EXHIBIT “L”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

**In the Matter of the Receivership of 686949 N.B. Ltd.
Payout Calculation of City Hotels NB Ltd.'s Mortgage**

	Protective Disbursements	Balance for Calculating Interest	Accrued Interest	Outstanding Balance
31-Oct-24		\$ 920,000.00		
30-Nov-24		\$ 920,000.00	\$ 6,049.32	
31-Dec-24	\$ 1,866.99 Trip to inspect asset	\$ 921,866.99	\$ 6,250.96	
31-Jan-25		\$ 921,866.99	\$ 6,263.64	
28-Feb-25	\$ 24,836.79 Agent & Utility costs	\$ 946,703.78	\$ 5,657.48	
31-Mar-25	\$ 25,772.31 Legal bill	\$ 972,476.09	\$ 6,432.40	
30-Apr-25	\$ 1,400.70 Legal bill	\$ 973,876.79	\$ 6,394.36	
31-May-25		\$ 973,876.79	\$ 6,617.03	
		<u>\$ 973,876.79</u>	<u>\$ 43,665.19</u>	<u>\$ 1,017,541.98</u>
		Per Diem Interest Beyond May 31, 2025	\$	213.45

EXHIBIT “M”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Our File: 261073

June 18, 2025

Via e-mail: pmoffett@marlinetrustee.ca

POWELL ASSOCIATES LTD.
Licensed Insolvency Trustee
302-133 Prince William St.
Saint John, NB, E2L 2B5
Attn: Paul Moffett, MBA, CIRP, LIT

Dear Mr. Moffett:

Re: The Toronto-Dominion Bank Loans to 686949 N.B. Ltd.

I confirm we are solicitors for The Toronto-Dominion Bank (the "Bank"). Please accept this letter as confirmation that the total outstanding amounts owed to the Bank by 686949 N.B. Ltd, as of today is as follows:

Secured Debt:

HASCAP Loan No. 9260711-01:	\$442,906.69	
Legal Fees:	\$ 2,427.08	
Total:	\$445,333.77	(per diem: \$47.60)

Unsecured Debt:

CEBA Loan No. 9260711:	\$ 81,471.23	(per diem: \$8.22)
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Please also find enclosed the following loan and security documents in support of TD's claim:

1. HASCAP Credit Agreement
2. Security Agreement

Please make payout funds payable to McInnes Cooper In Trust. Thank you for your assistance with this matter.

Yours very truly,


R. Scott Wilson



TD Canada Trust
Small Business Banking
HASCAP Credit Agreement

Customer(s) Name 686949 N.B. LTD.	Servicing Branch 9088
Address (street, city, town, province, postal code) 919 CH CANADA ROAD EDMUNSTON, NB E3V 3X2	Business Account Number/Branch Number 5260711 / 8250

Customer Contact James Youm	Branch Contact Wellington Albert	Branch Contact Telephone Number: 780-986-2237 x 300
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Date 05/15/21

HASCAP - Fixed Rate Term Loan

Loan Amount \$580,000.00	Interest Rate 4.0 % per annum	Payments of Principal and Interest \$6,405.18	Monthly Interest Only First Year, (only applicable if checked) <input checked="" type="checkbox"/>
Frequency Monthly	First Payment Date - Interest Only 06/15/21	Term Date (mm/dd/yy) 05 / 15 / 2031	Amortization Date (mm/dd/yy) 05 / 15 / 2031
	First Payment Date - Principal and Interest 06/15/22		


Third Party Determination

Excluding the co-applicant, will a third party benefit from or control this/these credit facility(ies)? ☐ Yes ☒ No
You must answer "yes" to this question if there is any person or other entity who will receive a financial or other benefit from the credit facility(ies), or who will exercise any control over the credit facility(ies). If the answer is "Yes", the customer must complete the Third Party Statement #592018.

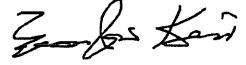
Your Agreement

By signing below the customer named above (the "Customer") agrees to be bound by the terms and conditions of this HASCAP Credit Agreement above and on the following pages, and where applicable, the Customer agrees to the use of its information as set out under the heading Privacy Agreement.

I/We have the authority to bind the Customer

Per: 
Name: JAMES JINSEONG YOUM
Title: DIRECTOR

Per: 
Name: SUN HYE CHUNG
Title: DIRECTOR

Per: 
Name: YOON-JOO KIM
Title: DIRECTOR

Per: 
Name: VANESSA LIM
Title: DIRECTOR

Definitions

In this Agreement the capitalized terms, "Business Account", "First Payment Date", "Frequency", "Interest Rate", "Loan Amount", "Payments of Principal and Interest" and "Term Date", are as indicated on the front of this Agreement and/or on the Schedule attached. Other capitalized terms (not otherwise defined in the Agreement) mean:

"Credit Facility" means the credit facility described on the front of this Agreement and/or on the Schedule attached and **"Credit Facilities"** means more than one of them.

"HASCAP Eligible Borrower's Representations and Warranties" means the representations, warranties and covenants separately made by you to the Bank and the Business Development Bank of Canada ("BDC") in connection with the HASCAP Fixed Rate Term Loan.

"Loan" means all amounts outstanding under the Credit Facility and includes, without limitation, all principal, interest, fees, costs and any expenses incurred in connection with the Credit Facility.

"You" and "Your" and "Yours" means the customer(s) named on the front of this Agreement. The **"Bank"** means The Toronto-Dominion Bank and its successors and assigns.

Term Loan

HASCAP - Fixed Rate Term Loan

This Credit Facility may not revolve. Only one advance is permitted and it must be for an amount equal to the Loan Amount. You will repay this Loan at the Frequency and in Payments of Principal and Interest commencing on the First Payment Date until the Term Date when the balance, if any, of this Loan shall be paid. If the Bank has agreed to the First Year, Interest Only option by checking the front of this Agreement where indicated, then you will pay interest only for the first 12 months and at the end of the 13th month you will begin making Payments of Principal and Interest at the Frequency.

Prepayment of HASCAP – Fixed Rate Term Loan

You may, provided that an Event of Default has not occurred, prepay all or any part of the principal then outstanding under this Loan, upon payment of all interest accrued to the date of prepayment and an amount equal to the interest rate differential being the amount by which: (i) the total amount of interest on the amount of the prepayment using the Interest Rate calculated for the period of time from the prepayment date until the Term Date (the "Remaining Term") exceeds (ii) the total amount of interest on the amount of the prepayment using the interest rate applicable to a fixed rate term loan that the Bank would make to a borrower for a comparable facility on the prepayment date, calculated for the Remaining Term.

Default

The Bank may require you to repay this Loan, (and an amount equal to the Prepayment Charge), upon the occurrence of any one of the following events of default ("Event of Default"): (i) you default in paying any amount due hereunder, (ii) you or any guarantor of this Loan (a "Guarantor") default in paying any other creditor or any other loan to the Bank, (iii) you or a Guarantor fail to comply with any of the provisions of this Agreement, the HASCAP Eligible Borrower's Representations and Warranties or any other agreement (including a security agreement) to which you or a Guarantor are a party, (iv) you or a Guarantor make a false or misleading representation or warranty to the Bank, including any representation or warranty made by you in the HASCAP Eligible Borrower's Representations and Warranties, (v) you or a Guarantor fail to provide any security or guarantee requested by the Bank, (vi) you or a Guarantor commit an act of bankruptcy or become insolvent, (vii) a receiver is appointed for your business or any part of your property, (viii) any other event occurs which causes the Bank to deem itself insecure or to believe that the prospect of payment by you or a Guarantor or the performance of any obligation to the Bank is or is about to be impaired, (ix) the Bank believes that there has occurred a material adverse change in the creditworthiness, assets, business, or financial condition of you or a Guarantor, or (x) the Bank believes that the value of any security for this Loan has declined, or is likely to decline.

Interest, Costs & Expenses and Fees

The Interest Rate. You will pay interest on the Loan at the applicable interest rate set out on the front of this Agreement, on a monthly basis, with the first payment to be made on the First Payment Date, or such other date as may be agreed by the Bank.

Compounded and Payable Monthly. Interest on the Loan is calculated daily (including February 29 in a leap year), compounded and payable monthly not in advance at the applicable interest rate set out on the front of this Agreement and/or on the Schedule attached.

How Interest Is Calculated And Payable. The Bank calculates interest on the basis of a 365 day year. Interest is charged on February 29 in a leap year. Interest will continue to be payable by you both before and after maturity, the Bank demands payment in full, a default on this Agreement, and/or a judgment is rendered against you.

Cost & Expenses. You will pay the Bank all of the Bank's reasonable costs and expenses (including the fees and charges of internal and external legal counsel, on a solicitor client basis and notarial fees), relating to enforcing the Loan, and taking, enforcing and realizing on the security provided for the Loan and such costs and expenses shall constitute a debt payable by you to the Bank.

Your Covenants

Positive Covenants. In addition to all of your other obligations in this Agreement you will: (i) pay all amounts outstanding to the Bank when due or demanded, (ii) maintain your existence as a corporation, partnership or sole proprietorship, as the case may be, and keep all material agreements, rights, franchises, licences, operations, contracts or other arrangements in full force and effect, (iii) pay all taxes, (iv) maintain your property, plant and equipment in good repair and working condition, (v) continue to carry on the business now being carried on by you, (vi) maintain adequate insurance on all of your assets, undertakings, and business risks, and (vii) permit the Bank and its authorized representatives full access to your premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom.

Negative Covenants. You will not: (i) create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of your property, now owned or hereafter acquired, (ii) merge or amalgamate with any other entity or permit any change of ownership or change your capital structure, (iii) sell, lease, assign, or otherwise dispose of all or substantially all of your assets.

Agreement to Provide Information and Security. You will provide, or cause to be provided, whatever information the Bank may request from time to time. You will provide, or cause to be provided, any security or guarantees required by the Bank from time to time. You will keep the Bank advised of your current address.

Information Attestation. You represent and warrant that all information you have provided to the Bank respecting, where applicable, (1) the names of your directors and the names and addresses of your beneficial owners, (2) the names and addresses of trustees and known beneficiaries and/or settlors, and (3) your ownership, control and structure, is accurate and complete. The Bank reserves the right to request updated customer information and/or additional supporting information at any time.

Environmental. You represent, warrant and covenant (which representation, warranty and covenant shall continue each day hereafter) that your property and your business is being operated in compliance with applicable environmental, health and safety laws and regulations and that there are no judicial or administrative proceedings in respect thereto.

You shall, when asked by the Bank, at your expense, obtain and provide to the Bank an appraisal, environmental audit or inspection report of any of your property from appraisers, auditors or inspectors acceptable to the Bank.

You will defend, indemnify and hold harmless the Bank, its officers, directors, employees, agents and shareholders, against all loss, costs, claims, damages and expenses (including legal, audit and inspection expenses) which may be suffered or incurred in connection with the breach of this environmental representation, warranty and covenant and against environmental damage occasioned by your activities or by contamination of or from any of your property.

Miscellaneous

Records & Statements. The Bank or, where appropriate, any of its affiliates will provide monthly statements for the Business Account which reflect activity on the Credit Facility. You will be bound by the provisions of your Operation of Account Agreement, Business Account Agreement, Business Banking Agreement, or Business Banking & Services Agreement as the case may be, with respect to the accuracy of the statements and notification of any errors. You agree that the Bank's books and records are evidence of all amounts owed by you.

Who Is Bound By This Agreement. This Agreement shall be binding on and enure to the benefit of the Bank and its successors and assigns. It shall also be binding on you, your heirs, your successors and personal representatives - including executors and administrators. You must obtain our written consent to assign this Agreement to another person. The Bank may assign this Agreement without notice to you and without your consent.

Joint and Several. You are jointly and severally (which means individually and collectively) liable to the Bank (and in Quebec you are solidarily liable to the Bank) for the Loan with each other person who is liable for the Loan.

Other Agreements. This Agreement applies only to the Credit Facilities described on the front of this Agreement and/or on the Schedule attached. This Agreement is in addition to, and not in substitution for, your Operation of Account Agreement, Business Account Agreement, Business Banking Agreement, or Business Banking & Services Agreement as the case may be.

The Law That Applies. This Agreement shall be governed by the law of the Province in which the Branch of Account named on the front of this Agreement and/or on the Schedule attached is situated. If any provision in this Agreement is contrary to applicable law, the Agreement shall continue in force with such amendments as may be required by law.

Payments. The Bank may apply your payments to any part of the Loan as it sees fit. If any payment due date falls on a date which is a Saturday, Sunday or Bank holiday, any payment scheduled for that date will not be applied until the business day first following that date. The Bank may debit any account you maintain with the Bank for any amount owed by you under this Agreement. If you are a partnership or, in Quebec, a general partnership, the Bank may debit any account that any of the partners maintains with the Bank for any amount owed by you under this Agreement. The exercise by the Bank of its right to set-off, granted hereunder or available at law, shall constitute an acknowledgement of your indebtedness and liability hereunder.

Non Waiver. Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any security or upon the occurrence of an Event of Default shall not constitute a waiver of the Bank's right to take action at a later date based on that breach of Event of Default. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the security or the Bank's rights thereunder, which can only be amended with the express written consent of the Bank.

Use of electronic banking services: For our mutual protection, we may record all telephone calls that relate to the use of or include instructions for using Electronic Banking Services.

Limitations Act. You and the Bank agree that the limitation period for commencement of any court action or proceeding against you with respect to any Credit Facility payable on demand shall be six (6) years rather than the period of time that is set out in the applicable limitations legislation. You constitute and appoint the Bank, solely for the purpose set out herein, its true and lawful attorney and authorize and empower the Bank as your attorney in your name, as your agent, to acknowledge the indebtedness and liability owing hereunder from time to time.

Applicable in Province of Quebec Only: It is the express wish of the parties that this Agreement and any directly or indirectly related documents be drawn up in English. Les parties ont exprimé la volonté expresse que cette convention et tous les documents s'y rattachant directement ou indirectement soient rédigés en anglais.

Credit Agencies, etc. In this section, "you" means the business applicant or customer that is not an individual. In addition to any rights that The Toronto-Dominion Bank and its affiliates (collectively, "TD") may have regarding the collection and disclosure of your information, you authorize TD to obtain information about you from, and disclose information about you to, our world-wide affiliates, other lenders, credit reporting or credit rating agencies, credit bureaus and any supplier, agent or other party that performs services for you or on TD's behalf.

Condition. If the Customer is a corporation incorporated more than twelve months before the date of this Agreement or if any guarantor of the Credit Facility or the Credit Facilities is a corporation incorporated more than twelve months before the date of this Agreement, then the Credit Facility or the Credit Facilities will be made available to the Customer only if the Bank obtains a certificate of status showing active status for such corporation. If the Bank is unable to obtain such certificate of status, this Agreement shall be of no force or effect.

Method of Communication To You. The Bank may communicate with you by ordinary, uninsured mail or other means, including hand delivery or facsimile transmission. Mailed information is deemed to be received by you five days after mailing. Delivered information is deemed to be received when delivered or left at your address. Messages sent by facsimile are deemed to be received when the Bank receives a fax confirmation.

Privacy Agreement

In this Agreement, the words "you" and "your" mean: (i) any individual, or that individual's authorized representative, who is the above-signed applicant or customer; (ii) any individual, or that individual's authorized representative, who has offered to provide a guarantee for any product or service offered by us to the above-signed applicant or customer; (iii) any individual who is a partner of the above-signed applicant or customer; and (iv) the signing authorities, as identified to us, of the above-signed applicant or customer. The words "we", "us" and "our" mean TD Bank Group ("TD"). TD includes The Toronto-Dominion Bank and its world-wide affiliates, which provide deposit, investment, loan, securities, trust, insurance and other products or services. The word "Information" means personal, financial and other details about you that you provide to us and we obtain from others outside TD, including through the products and services that are provided by us to the entity with which you are associated.

You acknowledge, authorize and agree as follows:

Collecting and Using Your Information

At the time you request to begin a relationship with us and during the course of our relationship, we may collect Information including:

- details about you and your background, including your name, address, contact information, date of birth, occupation and other identification
- records that reflect your dealings with and through us
- your preferences and activities.

This Information may be collected from you and from sources within or outside TD, including from:

- government agencies and registries, law enforcement authorities and public records
- credit reporting agencies
- other financial or lending institutions
- organizations with whom you make arrangements, other service providers or agents, including payment card networks
- references or other information you have provided
- persons authorized to act on your behalf under a power of attorney or other legal authority
- your interactions with us, including in person, over the phone, at the ATM, on your mobile device or through email or the Internet
- records that reflect your dealings with and through us.

You authorize the collection of Information from these sources and, if applicable, you authorize these sources to give us the Information.

We will limit the collection and use of Information to what we require in order to serve you as our customer and to administer our business, including to:

- verify your identity
- evaluate and process your application, accounts, transactions and reports
- provide you with ongoing service and information related to the products, accounts and services you hold with us
- analyze your needs and activities to help us serve you better and develop new products and services
- help protect you and us against fraud and error
- help manage and assess our risks, operations and relationship with you
- help us collect a debt or enforce an obligation owed to us by you
- comply with applicable laws and requirements of regulators, including self-regulatory organizations.

Disclosing Your Information

We may disclose Information, including as follows:

- with your consent
- in response to a court order, search warrant or other demand or request, which we believe to be valid
- to meet requests for information from regulators, including self-regulatory organizations of which we are a member or participant, or to satisfy legal and regulatory requirements applicable to us
- to suppliers, agents and other organizations that perform services for you or for us, or on our behalf
- to payment card networks in order to operate or administer the payment card system that supports the products, services or accounts you have with us (including for any products or services provided or made available by the payment card network as part of your product, services or accounts with us), or for any contests or other promotions they may make available to you
- on the death of a joint account holder with right of survivorship, we may release any information regarding the joint account up to the date of death to the estate representative of the deceased, except in Quebec where the liquidator is entitled to all account information up to and after the date of death
- when we buy a business or sell all or part of our business or when considering those transactions
- to help us collect a debt or enforce an obligation owed to us by you
- where permitted by law.

Sharing Information Within TD

Within TD we may share Information world-wide, other than health-related Information, for the following purposes:

- to manage your total relationship within TD, including servicing your accounts and maintaining consistent Information about you
- to manage and assess our risks and operations, including to collect a debt owed to us by you
- to comply with legal or regulatory requirements.

You may not withdraw your consent for these purposes.

Within TD we may also share Information world-wide, other than health-related Information, to allow other businesses within TD to tell you about products and services. In order to understand how we use your Information for marketing purposes and how you can withdraw your consent, refer to the Marketing Purposes section below.

Additional Collections, Uses and Disclosures

Social Insurance Number (SIN) - If requesting products, accounts or services that may generate interest or other investment income, we will ask for your SIN for revenue reporting purposes. This is required by the Income Tax Act (Canada). If we ask for your SIN for other products or services, it is your option to provide it. When you provide us with your SIN, we may also use it as an aid to identify you and to keep your Information separate from that of other customers with a similar name, including through the credit granting process. You may choose not to have us use your SIN as an aid to identify you with credit reporting agencies.

Credit Reporting Agencies and Other Lenders - For a credit card, line of credit, loan, mortgage or other credit facility, merchant services, or a deposit account with overdraft protection, hold and/or withdrawal or transaction limits, we will exchange Information and reports about you with credit reporting agencies and other lenders at the time of and during the application process, and on an ongoing basis to review and verify your creditworthiness, establish credit and hold limits, help us collect a debt or enforce an obligation owed to us by you, and/or manage and assess our risks. You may choose not to have us conduct a credit check in order to assess an application for credit. Once you have such a facility or product with us and for a reasonable period of time afterwards, we may from time to time disclose your Information to other lenders and credit reporting agencies requesting such Information, which helps establish your credit history and supports the credit granting and processing functions in general. We may obtain Information and reports about you from Equifax Canada Inc., Trans Union of Canada, Inc. or any other credit reporting agency. You may access and rectify any of your personal information contained in their files by contacting them directly through their respective websites www.consumer.equifax.ca and www.transunion.ca. Once you have applied for any credit product with us, you may not withdraw your consent to this exchange of Information.

Fraud - In order to prevent, detect or suppress financial abuse, fraud or criminal activity, protect our assets and interests, assist us with any internal or external investigation into potentially illegal or suspicious activity or manage, defend or settle any actual or potential loss in connection with the foregoing, we may collect from, use and disclose your Information to any person or organization, fraud prevention agency, regulatory or government body, the operator of any database or registry used to check information provided against existing information, or other insurance companies or financial or lending institutions. For these purposes, your Information may be pooled with data belonging to other individuals and subject to data analytics.

Insurance - This section applies if you are applying for, requesting prescreening for, modifying or making a claim under, or have included with your product, service or account, an insurance product that we insure, reinsure, administer or sell.

We may collect, use, disclose and retain your Information, including health-related Information. We may collect this Information from you or any health care professional, medically-related facility, insurance company, government agency, organizations who manage public information data banks, or insurance information bureaus, including MIB Group, Inc. and the Insurance Bureau of Canada, with knowledge of your Information.

With regard to life and health insurance, we may also obtain a personal investigation report prepared in connection with verifying and/or authenticating the information you provide in your application or as part of the claims process.

With regard to home and auto insurance, we may also obtain Information about you from credit reporting agencies at the time of, and during, the application process and on an ongoing basis to verify your creditworthiness, perform a risk analysis and determine your premium.

We may use your Information to:

- determine your eligibility for insurance coverage
- administer your insurance and our relationship with you
- determine your insurance premium
- investigate and adjudicate your claims
- help manage and assess our risks and operations.

We may share your Information with any health-care professional, medically-related facility, insurance company, organizations who manage public information data banks, or insurance information bureaus, including the MIB Group, Inc. and the Insurance Bureau of Canada, to allow them to properly answer questions when providing us with Information about you. We may share lab results about infectious diseases with appropriate public health authorities.

If we collect your health-related Information for the purposes described above, it will not be shared within TD, except to the extent that a TD company insures, reinsures, administers or sells relevant coverage and the disclosure is required for the purposes described above. Your Information, including health-related Information, may be shared with administrators, service providers, reinsurers and prospective insurers and reinsurers of our insurance operations, as well as their administrators and service providers for these purposes.

Marketing Purposes - We may also use your Information for marketing purposes, including to:

- tell you about other products and services that may be of interest to you, including those offered by other businesses within TD and third parties we select
- determine your eligibility to participate in contests, surveys or promotions
- conduct research, analysis, modeling, and surveys to assess your satisfaction with us as a customer, and to develop products and services
- contact you by telephone, fax, text messaging, or other electronic means and automatic dialing-announcing device, at the numbers you have provided us, or by ATM, internet, mail, email and other methods.

With respect to these marketing purposes, you may choose not to have us:

- contact you occasionally either by telephone, fax, text message, ATM, internet, mail, email or all of these methods, with offers that may be of interest to you
- contact you to participate in customer research and surveys.

Telephone and Internet discussions - When speaking with one of our telephone service representatives, internet live chat agents, or messaging with us through social media, we may monitor and/or record our discussions for our mutual protection, to enhance customer service and to confirm our discussions with you.

Additional Scope

If:

- a) there are changes to the signing authorities on any of the accounts of the above-signed customer; or
- b) at the time of opening an account, the above-signed customer, if a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of the shares of the corporation, or has any director, where such individual or director is not, at such time, either a signing authority of the corporation or a personal banking customer of TD; or

c) at the time of opening an account, such above-signed customer, if other than a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of such above-signed customer, where such individual is not, at such time, either a signing authority of the above-signed customer or a personal banking customer of TD;
then such above-signed customer agrees to make such signing authorities and any such individual or director aware of this Privacy Agreement, advise them that they are subject to such agreement and inform them that a copy of such agreement is available at any TD Canada Trust branch or online at td.com. The definition of "you" in this Privacy Agreement shall be deemed to include any such individual or director.

Notwithstanding the foregoing, b) and c) shall not apply where the above-signed customer is a public body, or a corporation that has minimum net assets of \$75 million on its last audited balance sheet and whose shares are traded on a Canadian stock exchange or a stock exchange that is prescribed by section 3201 of the Income Tax Regulations, as may be amended from time to time, and operates in a country that is a member of the Financial Action Task Force.

More Information

This Agreement must be read together with our Privacy Code. You acknowledge that the Privacy Code forms part of the Privacy Agreement. For further details about this Agreement and our privacy practices, visit www.td.com/privacy or contact us for a copy.

You acknowledge that we may amend this Agreement and our Privacy Code from time to time. We will post the revised Agreement and Privacy Code on our website listed above. We may also make them available at our branches or other premises or send them to you by mail. You acknowledge, authorize and agree to be bound by such amendments.

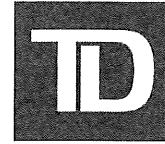
If you wish to opt-out or withdraw your consent at any time for any of the opt-out choices described in this Agreement, you may do so by contacting us at 1-866-567-8888. Please read our Privacy Code for further details about your opt-out choices.

If You Have a Problem or Concern

If you have a problem or concern, you may call us toll-free at 1-866-222-3456, email us at customer.service@td.com, or visit us at any branch. For a more detailed overview of our complaint process, visit us at www.td.com.

Financial Consumer Agency of Canada

If you have a complaint regarding a potential violation of a consumer protection law, a public commitment, or an industry code of conduct, you can contact the FCAC in writing at: 6th Floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, Ontario K1R 1B9. The FCAC can also be contacted by telephone at 1-866-461-3222 (en français 1-866-461-2232) or through its website at www.fcac-acfc.gc.ca. Please note the FCAC does not become involved in matters of redress or compensation.



Eligible Borrower's Representations and Warranties

Reference is made to the HASCAP Credit Agreement between The Toronto-Dominion Bank (the "Lender") and **686949 N.B. LTD.** (the "Eligible Borrower") on Date pursuant to which the Lender has made available to the Eligible Borrower a term loan (the "Financing").

05/15/2021
WDA

This Financing is made possible with the financial support of the Business Development Bank of Canada ("BDC") guaranteeing such Financing.

To confirm the eligibility criteria to the Highly Affected Sectors Credit Availability Program ("HASCAP"), the Eligible Borrower (represents, warrants and covenants, as applicable in favour of the Lender and BDC that:

- (a) The Eligible Borrower is (A) a Person (other than a natural Person) incorporated or formed under the laws of Canada or of a Canadian provincial or territorial jurisdiction; or (B) a natural Person operating a business under a sole proprietorship structure in Canada, which business's intent is to generate revenue from the sale of goods or services which is at least sufficient to cover its operating expenses and service of debt;
- (b) Please check the applicable statement:
 - ☒ The Eligible Borrower is a client of the Lender (for which the Lender is or will become the Principal Senior Lender); OR
 - ☐ The Eligible Borrower's Principal Senior Lender is not a participant under the HASCAP;
- (c) Please check the applicable statement:
 - ☒ The copies of (A) the required confirmations for at least three months (which need not be consecutive) from the Canadian Revenue Agency evidencing application to the CEWS Program or CERS Program provided to the Lender; and (B) the bank statements (or any other form of evidence acceptable to the Lender) evidencing receipt of subsidies, are true and correct copies of such confirmations and statements (or other forms of evidence), and same confirm that the Eligible Borrower is eligible to, has applied for and has received subsidies for at least three months (within the 240 day period prior to the date hereof) under the CEWS Program and the CERS Program, with each such month having a minimum 50% revenue decrease (as determined under the CEWS Program or the CERS Program); OR
 - ☐ The Eligible Borrower:

(A) is not eligible to the CEWS Program and the CERS Program for the following reasons (please check the applicable reasons for ineligibility under the CEWS Program and the CERS Program):

i.with respect to the CERS Program:

- ☐ the business of the Eligible Borrower did not have a Canada Revenue Agency business number on September 27, 2020; or
- ☐ the business of the Eligible Borrower did not have a payroll account with the Canada Revenue Agency on March 15, 2020;

ii.with respect to the CEWS Program:

- ☐ the business of the Eligible Borrower did not have a payroll account with the Canada Revenue Agency on March 15, 2020; and

(B) has experienced, within the 240 day period prior to the date of application for the Eligible Loan, a minimum 50% revenue decrease (on a year-over-year basis) for at least three months (which need not be consecutive);

- (d) The Eligible Borrower does not have a revenue model that is economically dependent on non-commercial sources such as direct government grant funding or private donations;
- (e) The Eligible Borrower has been, directly or indirectly, negatively impacted by the COVID-19 pandemic or the economic environment created by the COVID-19 pandemic.
- (f) The Eligible Borrower was financially viable prior to the impact of the COVID-19 pandemic or the economic environment created by the COVID-19 pandemic.
- (g) The Eligible Borrower:
 - (i) is not a government organization or body (other than an indigenous entity or body);
 - (ii) is not an entity in which a government organization or body (other than indigenous entities or bands) owns equity interests;
 - (iii) is not a non-profit organization, registered charity, union, or a fraternal benefit society or order, or a Person in which any such organization owns equity interests (except if it is actively carrying on a business in Canada (including a related business in the case of a registered charity) that earns revenue from the regular supply of property/goods or services and not from

- non-commercial sources such as direct government grant funding or private donations);
- (iv) is not a religious organization, or a Person in which any such organization owns equity interests;
 - (v) is not a fundraising vehicle for charities;
 - (vi) is not a Person in which equity interests are held by any single current member of the Parliament of Canada or any single current member of the Senate of Canada other than a Person whose equity interests are publicly traded;
 - (vii) does not operate any form of sexually exploitive business;
 - (viii) does not promote violence, incite hatred or discriminate on the basis of race, national or ethnic origin, colour, religion, sex, age or mental or physical disability;
 - (ix) is not a Person who has (or who is related to Affiliates who have) (i) ever been determined to have committed tax evasion by any applicable judicial authority, including, for clarity, pursuant to sections 238 and 239 of the Income Tax Act (Canada) or of any other similar applicable provision of any Canadian federal or provincial statute(s) (or that has Affiliates which have been determined to have committed same) ("**Tax Evasion**"), nor (ii) been subject to any assertion or assessment by any governmental authority that the Eligible Borrower or its Affiliates engaged in Tax Evasion;
 - (x) has not benefited (or is not in the process of benefiting) from HASCAP through a financial institution other than the Lender;
 - (xi) has not benefited (or is not in the process of benefiting) from HASCAP for loans exceeding an initial principal amount, in the aggregate, of CA\$1,000,000; and
 - (xii) is not a member of a Group which has benefited (or is in the process of benefiting) from HASCAP for loans extended to one or more of the members of such Group by the Lender (and any other financial institution, as applicable) exceeding an initial principal amount, in the aggregate, of CA\$6,250,000, except if the ultimate Controlling entity of the Eligible Borrower is an institutional investor.
- (h) The Financing will be incremental to the Lender's (or another financial institution's) current exposure with the Eligible Borrower and the proceeds from the Financing will only be used and, based on reasonable assumptions with respect to the COVID-19 pandemic and taking into account the subsidies and other credit currently available to the Borrower can reasonably be expected to be sufficient to fund the cash flow needs of operations (excluding, for certainty and without limitation, to fund distributions, payment of management fees, bonuses and similar instruments) for a period of time not exceeding 18 months following the date hereof; for certainty, the application of the proceeds from the Financing to (x) repay

outstanding loans under an overdraft or operating facility will be permitted so long as the Lender's (or another financial institution's) commitment or authorized amount thereunder is not reduced (other than to the extent of temporary advances or borrowing excesses); (y) repay normally scheduled principal (which schedule of repayments was not accelerated since March 1, 2020) and interest payments on the Eligible Borrower's existing credits will be permitted; as well as (z) pay ordinary course of business lease, equipment or supplier financing payments will be permitted; for further certainty, the proceeds from the Financing will not be used (A) to make scheduled principal or interest payments that were due prior to the date hereof; (B) for repayment of outstanding loans on the maturity date thereof; or (C) to fund cash sweep payments under outstanding loans and similar types of payments.

- (i) Without derogating to any of the other limitations with respect to Distributions set out in the credit documentation pertaining to the Financing, the Eligible Borrower will not make, and will cause any other Person guaranteeing the Financing (an "**Obligor**") not to make, for the first 12-months following the date hereof, any Distribution other than:
 - (i) a Distribution by an Obligor to the Eligible Borrower;
 - (ii) a Distribution by an Obligor (other than the Eligible Borrower) to another Obligor; and
 - (iii) a Distribution in-lieu of salary made to shareholders involved directly in the operations of the Eligible Borrower, in an amount not exceeding historical Distributions for such purpose (and in no event exceeding \$200,000).
- (j) The Financing coupled with Eligible Borrower's existing liquidity and forecasted operational cash flow and subsidies (based on reasonable assumptions as to the COVID-19 pandemic) and credit currently available to the Eligible Borrower will enable a degree of continuity of the business of the Eligible Borrower during the current economic environment.
- (k) The financial statements delivered to the Lender for the purposes of the Financing are complete and correct in all material respects and fairly present the financial condition and results of operation of the Eligible Borrower and the guarantors as at their stated date, all in accordance with GAAP (except for year end notes and adjustments, if any).
- (l) The Eligible Borrower's historical free cash flow (for the period prior to March 1, 2020) would have been sufficient to service the Financing and based on reasonable assumptions as to the COVID-19 pandemic, the Eligible Borrower reasonably anticipates that its future free cash flow (together with the subsidies and credit currently available to it) will be sufficient to service the Financing.

For the purpose hereof:

- (m) **"Affiliate"** means, with respect to a Person, any other Person that directly or indirectly Controls, or is Controlled by, or is under common Control with, that Person;
- (n) **"Control"** (including any correlative term) means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person (whether through ownership of securities or partnership or trust interests, by contract or otherwise); without limiting the generality of the foregoing (i) a Person is deemed to Control a corporation if such Person (or such Person and its Affiliates) holds outstanding shares or other rights carrying more than 50% of the voting power in the election of the board of directors of the corporation; (ii) a Person is deemed to Control a partnership if such Person (or such Person and its Affiliates) holds more than 50% in value of the equity of the partnership; (iii) a Person is deemed to Control a trust if such Person (or such Person and its Affiliates) holds more than 50% in value of the beneficial interests in the trust; and (iv) a Person that controls another Person is deemed to Control any Person controlled by that other Person;
- (o) **"Distribution"** means (i) any payment in cash or in kind that provides an income (including interest or dividends) or a return on, or constitutes a distribution or redemption or other retirement of, the equity or capital of a Person (other than a dividend paid by way of the issuance of new equity interests); (ii) any payment (principal and interest) on account of debt due to a shareholder, Affiliate, partner, director or officer of a Person (iii) earn-out payments owing to any shareholder, Affiliate, partner, director or officer of a Person; and (iv) any bonus, fee or like payment to any shareholder, partner, director or officer of a Person or a related party of a Person;
- (p) **"Group"** means, collectively, the Eligible Borrower and its Affiliates;
- (q) **"Person"** means any natural person, corporation, company, partnership, joint venture, limited liability company, unincorporated organization, trust or any other entity; and
- (r) **"Principal Senior Lender"** means, except as set out in the following provision, the primary lender or account or cash management bank of the Eligible Borrower which holds (or will hold in connection with the Financing) a first ranking general security interest or hypothec on the personal or movable property of the Eligible Borrower (subject to such other liens over specific class of property which are incurred in the ordinary course of business); provided that for the Eligible Borrower with syndicated credit facilities or "club deal" credit facilities, (i) with respect to syndicated credit facilities, the Principal Senior Lender may be any Eligible Lender that is the administrative agent, the lender holding the largest commitment or the lead arranger under such facilities, provided that the same Principal Senior Lender provides the Financing to the Eligible Borrower on a bilateral basis; or (ii) with respect to "club deals" or other similar type of lending arrangements, the Principal Senior Lender will be the lender holding the largest commitment or outstanding loans under the Eligible Borrower's bilateral credit facilities (or if more than one lender holds the same largest amount of commitment (or outstanding loans), the

Principal Senior Lender may be any one of those lenders), provided that the same Principal Senior Lender provides the Eligible Loan to the Eligible Borrower on a bilateral basis.


The Eligible Borrower acknowledges and agrees that this document constitutes a credit document for the purposes of the Financing. As such the Lender can require repayment of the Financing to the extent any of the representations and warranties and covenants made herein are untrue or misleading in any respect (i) as of the date hereof, (ii) as of the date of disbursement of advances of amounts under the Financing, and (iii) with respect to the representations and warranties and covenants in paragraphs (g) and (i), at any time prior to the repayment in full of all of the amounts owing under the Financing.

In connection with the Financing, the Eligible Borrower agrees, and cause its Affiliates, to provide, upon request from the Government of Canada (directly or through their Affiliates, agents, BDC or the Lender) additional reporting as deemed reasonably necessary.


The Eligible Borrower hereby acknowledges and agrees that (i) BDC (and the Government of Canada as shareholder of BDC) may make any disclosure identifying the Eligible Borrower, its guarantors and the Financing, including as to the fact that they have benefited from HASCAP and the amount of the Financing thereunder; and (ii) the Lender may disclose to BDC any information relating to the Eligible Borrower or its guarantors, confidential or otherwise, including, without limitation, credit information, financial statements (audited and unaudited), payment history, business plans, business history, business organization and copies of and other information relating to any of the credit facilities or other services or products provided by the Lender to the Eligible Borrower.

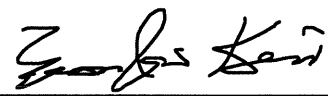
SIGNED as of May 25, 2021,

686949 N.B. LTD.

Per: 
JAMES JINSEONG YOUM

Per: 
SUN HYE CHUNG

Per: 
VANESSA LIM

Per: 
YOON-JOO KIM



TD Canada Trust
Small Business Banking
Security Agreement/Assignment

Customer: 686949 N.B. LTD.

Branch: 9088

Security Interest

In consideration of us dealing with or continuing to deal with you, you grant to us a security interest in, and assign, charge and pledge to us (collectively the "Security Interest"), the Collateral indicated below. If no Collateral is indicated, you will be deemed to have indicated All Assets and Undertakings.

<input checked="checked" type="checkbox"/> All Assets and Undertakings	<input type="checkbox"/> All Equipment	<input type="checkbox"/> Deposits and Credit Balances	<input type="checkbox"/> Life Insurance
<input type="checkbox"/> Inventory	<input type="checkbox"/> Specified Goods/Specified Collateral	<input type="checkbox"/> Securities	<input type="checkbox"/> Accounts and Book Debts

Indebtedness and Liability Secured

You agree that the obligations secured by the Security Interest are all of your indebtedness and liability to us, direct and indirect, absolute and contingent, whenever incurred, and including without limitation, existing indebtedness, future advances and your liability for costs and expenses and other obligations described in this Agreement (the "Obligations").

1. Definitions of Collateral

Assets and Undertakings - all of your present and after acquired personal property and undertakings including without limitation, Inventory, All Equipment, Specified Goods, Deposits and Credit Balances, Securities, Accounts and Book Debts (all as defined herein), all intangible and intellectual property, including, without limitation, an assignment of any rights in quota or licenses, any Proceeds (defined herein) and all real and immovable property both freehold and leasehold, except for the last day of the term of any lease.

Inventory - all presently owned and after acquired goods and other property held for sale or lease or that have been leased or that are to be furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in your business or profession.

All Equipment - all presently owned and after acquired tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures and other tangible personal property (other than inventory and consumer goods), including the assets, if any, described on the Schedule.

Specified Goods - the goods described on the Schedule.

Deposits and Credit Balances - all monies and credit balances, including interest due thereon, which are now or may hereafter be on deposit with or standing to your credit with us, and/or with any of our subsidiaries and affiliates, up to the amount set out on the Schedule or in relation to the account designated on the Schedule and any renewals, replacements or substitutions of any such account (or all deposit and credit balances, if no amount is set out, and no account is designated on the Schedule).

Securities - All securities, security entitlements, financial assets, investment property, shares, bonds, notes, units or other interests of whatever type or kind in which you currently have, or hereafter acquire an interest as described on the Schedule (or all securities, if the Schedule is not completed) together with all substitutions or exchanges thereof, and all dividends, distributions and interest payments received or receivable upon or in respect of any of the foregoing whether paid in kind, money or property (collectively the "Securities").

2. Life Insurance

You absolutely assign and transfer to us the life insurance policy described on the Schedule, and any amounts held by the insurer as pre-paid premiums or for the payment of future premiums or for any other purpose (collectively called "Life Insurance"). All money or other form of payment received by you in payment of the Life Insurance shall be received and held by you in trust for us. You represent that there are no irrevocable or preferred

beneficiaries on the Life Insurance or that if there are, each such beneficiary has signed the Schedule.

3. Accounts and Book Debts

You absolutely assign and transfer to us all debts, accounts, choses in action, claims, demands, and monies now due, owing, accruing, or which may hereafter become due, owing or accruing to you, together with all rights, benefits, security interests, mortgages, instruments, rights of action, deeds, books and records and documents now or hereafter belonging to you in respect of or as security for any of the foregoing, (collectively called "Book Debts"). All money or any other form of payment received by you in payment of any Book Debts shall be received and held by you in trust for us.

4. Collateral

The property over which you have granted us a Security Interest together with the Proceeds are herein called the "Collateral".

5. Proceeds

You grant us a fixed charge on the Collateral and all proceeds of the Collateral in any form derived directly or indirectly from any use or dealing with Collateral or that indemnifies or compensates for Collateral destroyed or damaged (collectively called "Proceeds"). Proceeds shall be received and held by you in trust for us.

6. Costs and Expenses

You agree to pay all fees, costs and expenses (including legal fees on a solicitor and own client basis) incurred by us in the preparation, execution, registration and perfection of this Agreement and the carrying out of any provisions of this Agreement, including protecting and preserving the Security Interest and enforcing the rights and remedies provided in this Agreement.

7. Free and Clear

You are or will be the owner of the Collateral free from any mortgage, lien, charge, security interest, statutory lien or trust or other adverse interest or encumbrance, unless we agree otherwise in writing. You will keep the Collateral free and clear of all taxes, assessments, and security interests. You will not sell, give away, part with possession of or otherwise dispose of any part of the Collateral, (except Inventory sold in the normal course of business) without our prior written consent.

8. Maintaining the Collateral

You will care for, protect and preserve the Collateral and will not permit its value to be impaired. You will, at your cost, keep the Collateral insured. If requested, you will provide us with a copy of the insurance policy. The insurance policy will name us

as loss payee. We may, in our absolute discretion, pay any premium due on any insurance policy forming part of the Collateral, and the amount of any premium we pay will be added to and form part of the Obligations. We shall be entitled to inspect the Collateral wherever located and to make inquiries and tests concerning the Collateral. You will pay all expenses in connection with such inspection, inquiries and tests.

9. Securities

If Collateral includes Securities, you authorize us to transfer all or any Securities into our own name or into the name of our nominee(s) provided that, until default, we shall deliver to you all notices or other communications received by us or our nominee(s) as such registered owner. We give you a proxy authorizing you to take all action with respect to such Securities. After default, you waive all rights to receive any such notices or communications and agree that any proxy is no longer effective. At our request, you will execute any other agreements we deem necessary or desirable to protect our rights in and to the Securities.

Where a margin rate has been set (as advised by us to you) in respect of any Securities, you agree to maintain such Securities, on a mark to market basis, from time to time, in an amount such that the outstanding principal and interest balance of the credit advances to you (or guaranteed by you), or with respect to your line of credit (or the line of credit guaranteed by you), the credit limit, (whichever is greater) does not exceed the market value of such Securities calculated using such margin rate. We may, at any time change any margin rate and change the value of any Securities for purposes of valuing them as security

10. Location of Collateral

You agree that unless otherwise indicated on the Schedule, the Collateral, which is goods, is or will be located at the address shown below your signature to this Agreement. You will not remove the Collateral from this location or the locations specified on the Schedule (except in the ordinary course of your business) without our prior written consent.

11. Default

You shall be in default if:

- (a) you or any other person liable for the Obligations is in default under any agreement relating to the Obligations;
- (b) you or any other person liable for the Obligations is in default under any other loan, debt or obligation owed to anyone else;
- (c) you fail to perform any of the terms or conditions of this Agreement;
- (d) you become insolvent or the subject of bankruptcy or insolvency proceedings, or commit an act of bankruptcy;
- (e) any statement made by you to induce us to extend credit to you was false in any material respect when made, or becomes false;
- (f) anyone takes possession of or applies to any court for possession of the Collateral, or anyone claims to have rights in the Collateral superior to our rights;
- (g) you are declared incompetent by a court, or you die, or, if you are a partnership, a partner dies;
- (h) we believe, on reasonable grounds, that the Collateral, or any part thereof, will decline speedily in value; or
- (i) any other event occurs which causes us in good faith to deem ourselves insecure, or to believe that the Collateral, or any part thereof, or the value thereof, is or about to be placed in jeopardy.

12. Remedies

If you are in default, we may require you to repay any or all of the Obligations, whether matured or not, and we may enforce this Agreement by any method permitted by law or in equity, and we may exercise any rights and remedies under applicable

law, and we may appoint any person, including our employee, to be an agent, a receiver or receiver and manager (the "Receiver") of the Collateral. We and the Receiver shall be entitled to:

- (a) seize and possess the Collateral;
- (b) carry on your business;
- (c) dispose of the Collateral;
- (d) foreclose on the Collateral;
- (e) exercise any rights or options available to you under any Life Insurance, including surrender;
- (f) demand, sue for and receive Book Debts, give effectual receipts and discharges for the Book Debts, compromise any Book Debts which may seem bad or doubtful to us and give time for payment thereof with or without security;
- (g) make any arrangement or compromise in our interest, or
- (h) take any other action deemed necessary to carry into effect the provisions of this Agreement.

The Receiver shall be your agent and you shall be solely responsible for the Receiver's actions. We shall not be responsible for any misconduct or negligence on the part of the Receiver. The rights and powers in this section are in supplement of and not in substitution for any other rights we may have from time to time.

13. Power of Attorney

You irrevocably appoint us your attorney, with power of substitution and appointment, to sign for you, at our option, all documents necessary or desirable to permit us to exercise any of our rights and remedies under this Agreement and to complete the Schedule, with the right to use your name and to take proceedings in your name.

14. Non-Waiver by Us

Any breach by you of this Agreement or the occurrence of a default may only be waived by us in writing. Any waiver by us does not mean that any subsequent breach or default is also waived. Any failure by us to notify you of a default shall not be deemed to be a waiver of the default. No course of conduct or omission on our part or on your part shall give rise to any expectation by you that we will not insist on strict compliance with the terms of this Agreement.

15. Dealing With Security Interest

We may take and give up any of the Security Interest or modify or abstain from perfecting or taking advantage of any of the Security Interest and otherwise deal with any of the Security Interest as we shall see fit without prejudice to your liability or to our rights under this Agreement or at law.

16. Canada Small Business Financing Act

If the Security Interest granted herein is granted specifically to secure any loan made by us under the Canada Small Business Financing Act ("CSBFA"), then this section applies. The Security Interest granted herein with respect to any CSBFA loan shall rank in priority to any and all security interests that we have or may have with respect to your personal property, except that, in the circumstances contemplated by the Canada Small Business Financing Regulations where a pari passu ranking is required, the Security Interest granted herein with respect to any CSBFA loan shall rank pari passu with any and all security interests that we have or may have with respect to your personal property.

17. Definitions

In this Agreement "you", "your" and "yours" refer to the Customer named above. "We", "our", "ours" and "us" refer to The Toronto-Dominion Bank. The "Schedule" means the Schedule set out below or attached to this Agreement. The terms "accounts", "goods", "instrument", "intangible", "security", and "future advance" as used herein shall have the same meaning given to those terms in the Personal Property Security Act.

18. Continuing Effectiveness

This Agreement shall be a continuing agreement in every respect, securing the payment of the Obligations. If any part of this Agreement is invalid or void, the remaining terms and provisions of this Agreement shall remain in full force and effect.

19. Non-Substitution

The Security Interest is in addition to and not in substitution for any other security interest now or hereafter held by us.

20. Acknowledgement & Waiver

You acknowledge receipt of a copy of this Agreement. You waive any right you may have to receive a copy of any financing statement, verification statement, or similar document we register or that we may receive by way of confirmation of a security registration in respect of this Agreement or any agreement amending, supplementing or replacing it.

21. Entire Agreement

You acknowledge that this is the entire agreement between you and us and there are no other written or oral representations or warranties which apply to the Collateral or to this Agreement. This Agreement may only be amended by an agreement in writing signed by us.

22. Binding Agreement

This Agreement is binding on your heirs and successors and assigns. Each person who signs this Agreement is jointly and severally liable under this Agreement. This Agreement shall continue in full force and effect notwithstanding any change in the composition of or membership of any firm or corporation which is a party hereto. You and we agree that the Security Interest created in this Agreement shall attach immediately upon executing this Agreement and will attach to Collateral in which you subsequently acquire any rights, immediately upon you acquiring such rights.

Schedule

Specified Goods

Deposits and Credit Balances

Amount \$: 0.00 ☐ CAD ☐ USD

Securities

Life Insurance

Issuer: _____

Life Insured: _____ Face Amount \$: _____ Policy No.: _____

I am an irrevocable beneficiary under the Life Insurance policy assigned hereunder and I hereby consent to this assignment.

Beneficiary's Signature: _____ X

Print Name: _____

Beneficiary's Signature: _____ X

Print Name: _____

Beneficiary's Signature: _____ X

Print Name: _____

Specified Collateral

Quota/Licence No. _____ issued by _____ (including any successor marketing board or licencing authority in respect of marketing or setting prices for the same commodity, their successors and assigns, in each case called the "Board") and proceeds therefrom.

Additional Covenants of Customer Applicable to Above Collateral:


1. By executing this Agreement, Customer has granted an assignment to The Toronto-Dominion Bank of any and all rights of the Customer in and to the above quota/licence and any proceeds thereof.
2. Customer agrees to maintain all of the above quota/licence rights in good standing and to comply with all of the rules, regulations and orders of the Board issuing such quota/licence.
3. Customer agrees to not apply to the Board for the transfer of the above quota/licence, in whole or in part, without the prior written consent of The Toronto-Dominion Bank.
4. The security and/or rights hereby granted shall extend to and include all future acquired quota/licence rights issued by the Board to the Customer.
5. The Customer agrees that the Customer has not heretofore granted and will not grant an assignment of the Customer's rights in and to the above quota/licence and the proceeds thereof to any other party without the prior written consent of The Toronto-Dominion Bank.

Location of Collateral (if not located at the address shown below the Customer's signature - include Street/Town/City and Province):


1. 919 CH CANADA ROAD
EDMUNSTON, NB E3V 3X2 CA

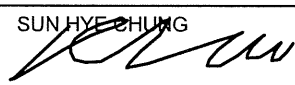
I/We have authority to bind the Customer.

Customer's Signature:  X Date: May 25, 2021
Print Name: JAMES JINSEONG YOUM

Customer's Signature:  X Date: May 25, 2021
Print Name: YOON-JOO KIM

Customer's Signature: _____ X Date: _____
Print Name: _____

Customer's Signature:  X Date: May 25, 2021
Print Name: SUN HYE CHUNG

Customer's Signature:  X Date: May 25, 2021
Print Name: VANESSA LIM

Customer's Signature: _____ X Date: _____
Print Name: _____

Address: 919 CH CANADA ROAD EDMUNSTON NB E3V 3X2

EXHIBIT “N”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

EC-109-2024

Court File Number: MC-_____-2024

IN THE COURT OF KING'S BENCH OF NEW
BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF EDMUNDSTON

BETWEEN:

JYSK Holdings Ltd., a body corporate,

Plaintiff,

-and-

686949 N.B. Ltd., a body corporate

Defendant

COUR DU BANC DU ROI DU NOUVEAU-
BRUNSWICK

DIVISION DE PREMIÈRE INSTANCE

CIRCONSCRIPTION JUDICIAIRE DE MONCTON

ENTRE :

COURT OF KING'S BENCH
EDMUNDSTON, NB
FILED / REGISTERED

DEC 17 2024

- et COUR DU BANC DU ROI
EDMUNDSTON, N.-B.
DÉPOSÉ / ENREGISTRÉ

Demanderesse,

Défenderesse.

NOTICE OF ACTION WITH
STATEMENT OF CLAIM
ATTACHED
(Form 16A)

AVIS DE POURSUITE
ACCOMPAGNE D'UN EXPOSÉ
DE LA DEMANDE
(Formule 16A)

TO:

686949 N.B. Ltd.
c/o Sunhye Chung
922 ch Canada,
Edmundston, NB
E3V 3X3

DESTINATAIRES:

LEGAL PROCEEDINGS HAVE BEEN
COMMENCED AGAINST YOU BY FILING THIS
NOTICE OF ACTION WITH STATEMENT OF
CLAIM ATTACHED.

PAR LE DÉPOT DU PRÉSENT AVIS DE
POURSUIITE ACCOMPAGNE D'UN EXPOSÉ DE
LA DEMANDE, UNE POURSUIITE JUDICIAIRE A
ÉTÉ ENGAGÉE CONTRE VOUS.

If you wish to defend these proceedings, either you or a New Brunswick lawyer acting on your behalf must prepare your Statement of Defence in the form prescribed by the Rules of Court and serve it on the plaintiff or the plaintiff's lawyer at the address shown below and, with proof of such service, file it in this Court Office together with the filing fee of \$50.00,

Si vous désirez présenter une défense dans cette instance, vous-même ou un avocat du Nouveau-Brunswick chargé de vous représenter devrez rédiger un exposé de votre défense en la forme prescrite par les Règles de procédure, le signifier à la demanderesse ou à son avocat à l'adresse indiquée ci-dessous et le déposer au greffe de cette Cour avec un droit de dépôt de \$50.00 et une preuve de sa signification:

(a) if you are served in New Brunswick, **WITHIN 20 DAYS** after service on you of this Notice of Action with Statement of Claim Attached, or

(a) **DANS LES 20 JOURS** de la signification qui vous sera faite du présent avis de poursuite accompagné d'un exposé de la demande, si elle vous est faite au Nouveau-Brunswick ou

(b) if you are served elsewhere in Canada or in the United States of America, **WITHIN 40 DAYS** after such service, or

(b) **DANS LES 40 JOURS** de la signification, si elle vous est faite dans une autre région du Canada ou dans les États-Unis d'Amérique ou

(c) if you are served anywhere else, **WITHIN 60 DAYS** after such service.

(c) **DANS LES 60 JOURS** de la signification, si elle vous est faite ailleurs

If you fail to do so, you may be deemed to have admitted any claim made against you, and without further notice to you, **JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE.**

Si vous omettez de le faire, vous pourrez être réputé avoir admis toute demande formulée contre vous et, sans autre avis, **JUGEMENT POURRA ETRE RENDU CONTRE VOUS EN VOTRE ABSENCE.**

You are advised that:

Sachez que:

(a) you are entitled to issue documents and present evidence in the proceeding in French, in English or both languages;

(a) vous avez le droit dans la présente instance, d'émettre des documents et de présenter votre preuve en français, en anglais ou dans les deux langues;

(b) the plaintiff intends to proceed in the **English** language; and

(b) La demanderesse a l'intention d'utiliser la langue anglaise; et

(c) your Statement of Defence must indicate the language in which you intend to proceed.

(c) l'exposé de votre défense doit indiquer la langue que vous avez l'intention d'utiliser.

Ex-officio

THIS NOTICE is signed and sealed for the Court of King's Bench by Emilie K. Plourde, Clerk of the Court at Edmundston, New Brunswick, on the 18 day of December, 2024.

Ex-officio

Emilie K. Plourde
Clerk of the Court



Court
Seal

Edmundston Courthouse
Carrefour Assomption
Justice Building
235-121 rue de l'Eglise Street,
Edmundston, NB

CET AVIS est signé et scellé au nom de la Cour du Banc du Roi par Sarah Hébert, greffière de la Cour à Moncton, Nouveau-Brunswick ce _____ jour de _____ 2024.

(greffière)

Sceau de
la Cour


STATEMENT OF CLAIM

1. The Plaintiff, JYSK Holdings Ltd. is a body corporate, duly and regularly incorporated under the laws of the Province of Alberta, maintaining an office in the City of Edmonton in the Province of Alberta.
2. The Defendant, 686949 N.B. Ltd. is a body corporate, duly and regularly incorporated under the laws of the Province of New Brunswick and maintains an office in the City of Fredericton in the Province of New Brunswick and carries on business in the City of Edmundston in the Province of New Brunswick.
3. Under the terms of a Loan Agreement dated February 26, 2016, JYSK Holdings Ltd. advanced to 686949 N.B. Ltd. the amount of one million dollars (\$1,000,000.00) together with interest thereon at the rate of 6.5% per annum.
4. As security for the loan, 686949 N.B. Ltd. agreed to mortgage the land, buildings and chattels of property identified as parcel no. 35257328 ("the property") to JYSK Holdings Ltd.
5. In accordance with the Loan Agreement, and its agreement with JYSK Holdings Ltd., 686949 N.B. Ltd. executed a Mortgage dated February 26, 2016 in favour of JYSK Holdings Ltd. providing for repayment of the said sum of one million dollars (\$1,000,000.00) together with interest thereon at the rate of 6.5% per annum, and further granted to JYSK Holdings Ltd. a mortgage over the property.
6. The Mortgage referred to in clause 6 above is not in a form which can be registered under the *Land Titles Act* R.S.N.B. c.L-1.1.
7. 686949 N.B. Ltd. has defaulted in repayment under the terms of the Loan Agreement and the Mortgage, and accordingly JYSK Holdings Ltd. claims as against 686949 N.B. Ltd. the following:

- (a) Repayment of the sum of One million dollars (\$1,000,000.00) together with interest thereon at the rate of 6.5% per annum from February 26, 2016 to the date of payment;
- (b) A declaration that JYSK Holdings Ltd. has a valid mortgage as against property having parcel identifier no. 35257328;
- (c) An order that the aforesaid declaration be registered by a Registrar of Land Titles as against parcel identifier 35257328 upon payment of the appropriate fee;
- (d) Issuance of a Certificate Pending Litigation (Form 42 A) with respect to parcel identifier 35257328;
- (e) Costs; and
- (f) Such further and other relief as this Honourable Court deems just and expedient.

8. The Plaintiff intends on proceeding in the English language.

DATED in Moncton, New Brunswick this 13th of December 2024.



Edwin G. Ehrhardt
Solicitor for the Plaintiff,
JYSK Holdings Ltd.

BINGHAM LAW
Marven's Place
310-1 Factory Lane,
Moncton, NB E1C 9M3
Telephone: 857-8856
Facsimile: 857-2017

Court File Number: EC-109-2024

Numéro du dossier:

IN THE COURT OF KING'S BENCH OF NEW
BRUNSWICK

COUR DU BANC DE LA REINE DU NOUVEAU-
BRUNSWICK

TRIAL DIVISION

DIVISION DE PREMIÈRE INSTANCE

JUDICIAL DISTRICT OF EDMUNDSTON

CIRCONSCRIPTION JUDICIAIRE DE

BETWEEN:

ENTRE:

JYSK HOLDINGS LTD., a body corporate,
Plaintiff,

DEMANDERESSE

- and -

ET:

686949 N.B. LTD., a body corporate
Defendant,

DÉFENDEUR

CERTIFICATE OF PENDING LITIGATION
(Form 42A)

CERTIFICAT D'AFFAIRE EN INSTANCE
(Formule 42A)

I certify that, in this proceeding, some title or
interest in the following land is questioned:

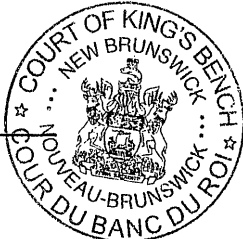
Je certifie que, dans la présente instance,
un titre ou un droit est en cause
relativement au bien-fonds suivant :

PID # 35257328

DATED at Edmundston, N.B., this 18 day of
December, 2024.

FAIT à Moncton, N.-B., le __ de _____
2018.

Emilie K. Picard
Ex-officio *Emilie K. Picard*
Clerk of the Court



Court
Seal

Greffière

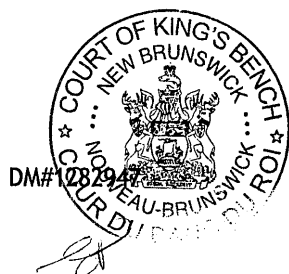
Sceau de
La Cour

Carrefour Assomption
235-121 rue de l'Eglise Street,
Edmundston, NB E3V 1J9

Carrefour Assomption
235-121 rue de l'Eglise Street,
Edmundston, NB E3V 1J9

I certify that this document, each page of which has
been initialed by me, is a true copy of the original on
file in the office of the Court of King's Bench in the
Judicial District of Edmundston issued under the seal
of the Court.
This 19 day of December 2024

Emilie K. Picard
Ex-officio *Emilie K. Picard*
Clerk of the Court of King's Bench of New Brunswick



Document received and filed/document reçu et déposé
date/date 2025-01-10 time/heure 15:42:42
number/numéro 45704229
District of New Brunswick/
Circonscription du Nouveau-Brunswick

CERTIFICATE OF EFFECT

Parcel Identifier (PID): PID # 35257328

Registered Owners: 686949 NB LTD.

THIS IS TO CERTIFY THAT the intended effect of the registration of the attached **Certificate of Pending Litigation** on the current Certificate of Registered Ownership for the specific parcel is as follows:

ADDITION:

To add an encumbrance:

JYSK HOLDINGS LTD.CAPING LTD.
3132 Parsons Road, NW, Unit 208
Edmonton, AB T6N 1L6

Instrument: Certificate of Pending
Litigation

DATE: January 10, 2025

Subscriber:


for: 
Edwin G. Ehrhardt K.C.
Bingham Law
Marven's Place,
310-1 Factory Lane,
Moncton, NB E1C 9M3
Telephone: 857-8856

EXHIBIT “O”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "Agreement") dated this __26th__ day of _February_, 2016__

BETWEEN:

JYSK Holdings Ltd.
(the "Lender")

OF THE FIRST PART

and

686949 N.B. Ltd.
(the "Corporation")

OF THE SECOND PART

BACKGROUND:

- A. The Corporation is duly incorporated in the Province of New Brunswick.
- B. The Lender was not compensated for the fair consideration upon assignment of valuable contract to the Corporation and therefore agrees to loan certain monies (the "Loan") to the Corporation.
- C. The Corporation agrees to compensate the Lender for the fair value of the assignment.

IN CONSIDERATION OF the Lender providing the Loan to the Corporation, and the Corporation repaying the Loan to the Lender, both parties agree to keep, perform, and fulfill the promises, conditions and agreements below:

Loan Amount & Interest

1. The Lender promises to loan One Million (\$1,000,000) CAD, to the Corporation and the Corporation promises to repay this principal amount to the Lender at such address as may be provided in writing, with interest payable on the unpaid principal at the rate of 6.5 percent per annum, calculated yearly not in advance.

Payment

2. This Loan is repayable within 30 day(s) of the Lender providing the Corporation (the "Borrower") with written notice of demand.
3. At any time while not in default under this Agreement, the Corporation may pay the outstanding balance then owing under this Agreement to the Lender without further bonus or penalty.

Default

4. Notwithstanding anything to the contrary in this Agreement, if the Corporation defaults in the performance of any obligation under this Agreement, then the Lender may declare the principal amount owing under this Agreement at that time to be immediately due and payable.
5. If the Corporation defaults in payment as required under this Agreement or after demand for ten (10) days, the Security will be immediately provided to the Lender and the Lender is granted all rights of repossession as a secured party.
6. In addition, the unregistered mortgage agreement attached in this loan agreement as Appendix I between the Corporation ("Mortgagor") and the Lender ("Mortgagee") shall be registered in the land title of the land owned by the Corporation at the option of the Lender.
7. Upon the default, the Lender shall be entitled to sell the Security without giving any notice to the Corporation to satisfy the interest and principal overdue. The proceeds of any sale shall be applied toward the payment of all monies (interest, principal and costs) owing under this agreement.

Security

8. This Agreement is secured by the following security (the "Security"): the land, building, and chattels of the hotel property identified as Parcel Identifier 35257328 (919 Chem. Canada, Edmundston, New Brunswick – Quality Inn Edmundston)

9. The Corporation grants to the Lender a security interest in the Security until this Loan is paid in full. The Lender will be listed as a lender on the title of the Security whether or not the Lender elects to perfect the security interest in the Security.
10. This Agreement will be construed in accordance with and governed by the laws of the Province of Alberta.

Costs

11. All costs, expenses and expenditures including, and without limitation, the complete legal costs incurred by enforcing this Agreement as a result of any default by the Corporation, will be added to the principal then outstanding and will immediately be paid by the Corporation.

Assignment

12. This Agreement will pass to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns of the Corporation. The Corporation waives presentment for payment, notice of non-payment, protest, and notice of protest.

Amendments

13. This Agreement may only be amended or modified by a written instrument executed by both the Corporation and the Lender.

Severability

14. The clauses and paragraphs contained in this Agreement are intended to be read and construed independently of each other. If any part of this Agreement is held to be invalid, this invalidity will not affect the operation of any other part of this Agreement.

General Provisions

15. Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

Entire Agreement

16. This Agreement constitutes the entire agreement between the parties and there are no further items or provisions, either oral or otherwise.

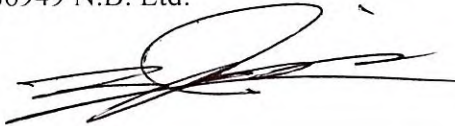
IN WITNESS WHEREOF , the parties have duly affixed their signatures under hand on this ___26th___ day of __February__, 2016___.

JYSK Holdings Ltd.



Per: _____
Director, James Youm

686949 N.B. Ltd.



Per: _____
Director, James Youm

EXHIBIT “P”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

"THE LAND TITLES ACT"
MORTGAGE

686949 N.B. Ltd (herein after called the "Mortgagor"), being registered as owner of an estate in fee simple in possession, subject, however, to such encumbrances, liens and interests as are noted by memorandum endorsed hereon, of that piece of land situate in the Province of New Brunswick, Canada, being composed of: the land, building, and chattels of the hotel property identified as Parcel Identifier 35257328 (919 Chem. Edmundston, New Brunswick – Quality Inn Edmundston)

EXCEPTING THEREOUT ALL MINES AND MINERALS

(hereinafter called "the lands" or the "mortgaged premises")

EXCEPTING AND RESERVING such exception and reservations as are expressed in the existing Certificate of Title or may be implied in connection therewith: IN CONSIDERATION OF THE SUM OF **(\$1,000,000) One Million DOLLARS** lent to the Mortgagor by **JYSK Holdings Ltd.** who and whose successors and assigns are hereinafter included in the expression "the Mortgagee", the receipt of which sum the Mortgagor does hereby acknowledge, covenant with the Mortgagee:

1. That the Mortgagor will pay to the Mortgagee at its office in the City of Edmonton in the Province of Alberta, in lawful money of Canada, the above sum of **(\$1,000,000) One Million DOLLARS** with interest thereon at **6.5% PER CENT PER ANNUM** at the City of Edmonton, in the Province of Alberta as follows:

Interest at the rate of **6.5% PER CENT PER ANNUM** as hereinafter provided on the amounts from time to time advanced, computed from the respective dates of such advances until , **shall become due and be paid on the last mentioned (hereinafter referred to as "date for adjustment of interest");** and thereafter the aforesaid sum together with interest thereon at the aforesaid rate, computed from the date for adjustment of interest, **shall become due and be paid by monthly instalments of \$8,335 plus interest** on the 1st day of each and every month from March 1, 2016 to February, 28 2026 and the balance, if any, of the said principal sum and interest thereon on the date last mentioned.

The principal money hereby secured in the sum of **(\$1,000,000) One Million DOLLARS** and the rate of interest chargeable thereon is **6.5% PER CENT PER ANNUM** calculated half yearly not in advance.

2. That any erections, buildings, improvements or chattels now or hereafter erected on, physically connected with or placed upon the said lands and premises (either fixed or movable) shall thereupon become fixtures and be part of the realty and form part of this security; and until payment of all monies owing under this Mortgage, the same or any part thereof shall not be removed without the written consent of the Mortgagee.
3. That the taking of a judgment or judgments under any of the covenants herein contained shall not operate as a merger of the rights of the Mortgagee under the said covenants, or of the Mortgagee's security by way of a charge against the said lands, or affect the Mortgagee's right to interest at the above rate on any monies due and owing to the Mortgagee under the covenants herein contained, it being understood and agreed that the said rate of interest shall be payable on any judgment taken thereon.
4. That neither the execution nor registration of this Mortgage nor the advancing of any part of the principal monies hereby secured shall bind the Mortgagee to advance the said money or any unadvanced portion thereof.
5. That if the Mortgagor shall be in default in the payment of principal or interest or any monies payable hereunder or any part thereof, or in the observance or performance of any of the terms, covenants and conditions of this mortgage or under any other security or securities held by the Mortgagee for the money payable hereunder (whether a first or subsequent default) then the whole principal monies hereby secured shall, at the option of the Mortgagee, immediately become due and payable in like manner and to all intents and purposes as if the time herein mentioned for payment of the said principal money had fully come and expired; provided, however, that in the event of non-payment of the said principal, or any part thereof on the days and times hereinbefore mentioned, the Mortgagee shall not be required to accept payment thereof without being paid a bonus equal to six (6) months interest in advance on the principal money so in default; and provided further that in any event the

Mortgagee shall not be bound to accept payment of the principal monies before the time or times hereinbefore provided for the payment thereof.

6. In the event of legal proceedings being instituted to enforce payment, the Mortgagee in addition, to all other monies owing, shall be entitled to payment of six (6) months interest on the principal sum then outstanding as a condition requiring acceptance of prepayment.

7. (1) That the Mortgagor will insure each and every building on the said lands and keep them constantly insured against loss or damage by fire and against loss or damage by such other risks, hazards or perils as the Mortgagee may require to be protected by insurance, to the full extent of their insurable value both during the period of construction and thereafter. In the case of commercial properties this covenant shall include boiler, plate glass, rental and public liability Insurance in an amount satisfactory to the Mortgagee. Prior to the making of any advance by the Mortgagee the mortgagor shall deliver to the mortgagee a policy or policies evidencing such insurance, and at least 15 days prior to the expiry of a policy or at least 5 days prior to the date fixed for cancellation of a policy should notice of cancellation be given, the Mortgagor shall deliver to the Mortgagee evidence of renewal or replacement.
- (2) Every policy of insurance shall be effected in such terms and with such insurer and through such agency as may be approved of by the Mortgagee the loss under each policy shall be made payable to the Mortgagee with preference in its favour over any claim of any other person; and each policy shall be retained by the Mortgagee during the currency of this loan. Should an insurer at any time cease to have the approval of the Mortgagee, the Mortgagor shall effect such new insurance as the Mortgagee may desire. In the event of failure on the Mortgagor's part to execute any obligation undertaken under this section, the Mortgagee may effect such insurance as it deems proper and the Mortgagee may effect such insurance as it deems proper and the Mortgagor covenants to repay to the Mortgagee all premiums paid by it.
- (3) In case of loss or damage, the Mortgagor shall immediately notify the Mortgagee and the Mortgagee shall have the right to receive the proceeds of each policy and to apply them wholly or in part in reduction either of any principal then remaining unpaid notwithstanding that no amount at such time may be due and payable under the terms of repayment and/or of any other sums owing to it and/or in meeting costs or repair on reconstruction, but unless the amount received by the mortgagee is applied expressly by it in reduction of the amount owing hereunder, the receipt by the Mortgagee of such proceeds shall not operate as payment of the Mortgagor's indebtedness hereunder. No damage may be repaired nor any reconstruction effected without the approval of the Mortgagee.
8. (1) The Mortgagor will in each year at least ten (10) days before the date, if any, on or before which discount is allowed on the payment of taxes, or at least ten (10) days before the date after which a penalty is added for non-payment of same, as the case may be pay and discharge all taxes, rates and assessments, including local improvement taxes and business taxes (herein called "taxes") with which the said lands are or may be rated or charged and leave with the Mortgagee receipts therefor. OR AT THE OPTION OF THE MORTGAGEE the Mortgagor will in each and every year during the currency hereof pay to the Mortgagee in equal monthly instalments such amount as the Mortgagee may estimate as being the taxes due and payable in each calendar year, the said monthly instalments to be paid along with and in addition to the monthly instalments due and payable under this Mortgage; it being understood and agreed that such payments are to be applied by the Mortgagee towards the payment of said taxes.
- (2) In default of the payment by the Mortgagor of monies for taxes aforesaid, then the Mortgagee may pay such taxes and all monies expended by the Mortgagee for such purposes shall be repaid by the Mortgagor to the Mortgagee forthwith.
- (3) The Mortgagee may deduct from any advance of the monies secured by this Mortgage an amount sufficient to pay the taxes which have become or will become due and payable as at the said date for adjustment of interest and are unpaid at the date of such advance.
9. That if the said lands or any part thereof are sold or forfeited for non-payment of taxes while any sum remains unpaid hereunder, at any such sale or forfeiture the Mortgagee may acquire the title and rights of the Mortgagor or the purchaser, or the rights of any other person or corporation becoming entitled on or under any such sale or forfeiture; or the Mortgagee whether in its own name or in the Mortgagor's name and on the Mortgagor's behalf may pay any and all sums necessary to be paid to redeem the lands so sold or forfeited, so as to re-vest such lands in the Mortgagor, and the Mortgagor hereby nominates and appoints the Mortgagee his agent to pay such monies on his behalf and in his name, and any monies so expended by the Mortgagee shall be repaid by the Mortgagor to the Mortgagee forthwith. In the alternative the Mortgagee shall have the right to bid on and/or purchase the said land at any tax sale of the same and thereupon shall become the absolute owner thereof and hold the same free from any equity or redemption on the Mortgagor's part.
10. That if the monies hereby advanced, or any part thereof, are applied in payment of any charge or encumbrance, the Mortgagee shall stand in the position of be subrogated to and be entitled to all equities of the person or persons so paid off whether any such charge or encumbrance has or has not been discharged and the Mortgagee shall be entitled to rely on any statement given by such person or persons as to the amount payable under any such charge or encumbrance, and the decision of the Mortgagee in that regard shall be binding on the Mortgagor.

11. (1) That the Mortgagor will not make or permit to be made any alterations or additions to the mortgaged premises without the consent of the Mortgagee.
(2) That the Mortgagor will not permit the said lands to be used in any way that in the opinion of the Mortgagee shall be deemed to be detrimental to the values of its security.
(3) That the Mortgagor will not commit any act of waste upon the said lands or do any other thing by which the value of the same shall or may be diminished (of which the Mortgagee shall be the sole judge) and will not allow the said lands to remain unoccupied or unused and further that the Mortgagor will during the existence of this Mortgage well and sufficiently repair, maintain, amend and keep any improvements now or hereafter on the said lands, and all fixtures and things thereunto belonging in good and substantial repair and in default of payment by the Mortgagor of monies owing in respect thereof or in respect of any liens, charges and encumbrances hereafter charged against the said lands, the Mortgagee may pay the same and all monies expended by the Mortgagee in respect thereof shall be repaid by the Mortgagor to the Mortgagee forthwith, and the Mortgagee shall be entitled to rely on any statement given by any person claiming to be entitled to such payment as to the amount payable as aforesaid and the decision of the Mortgagee in that regard shall be binding on the Mortgagor.
12. That the Mortgagee at such time or times as it may deem necessary, and without the concurrence of any other person, may send its Inspector or Agent and enter upon to report upon the value, state and condition of the mortgaged premises, and may make arrangements for the improving, repairing, finishing and putting in order of any buildings or improvements of the mortgaged premises and the said lands, and may expend money for any or all the purposes aforesaid as it may deem expedient, and all monies so expended including an allowance for the time and service of any officer of the Mortgagee, or other person appointed for any of the above purposes, shall be repaid by the Mortgagor to the Mortgagee forthwith.
13. That the Mortgagee may from time to time grant time or other indulgences and may release any parts of the said land, or any other security held by the Mortgagee for the monies hereby secured, either with or without any consideration therefor, and without being accountable for the value thereof, or for any monies except those actually received by the Mortgagee, and without thereby releasing any other security or part of the said land or any of the covenants herein expressed or implied, all rights and remedies of the Mortgagee being hereby reserved.
14. All proper Solicitor's, Inspector's, Valuator's and Surveyor's fees and expenses for drawing and registering this Mortgage and for examining the mortgaged premises and the title thereto, and for making or maintaining this Mortgage a first charge on the mortgaged premises, together with all sums which the Mortgagee may and does from time to time advance, expend or incur hereunder as principal, insurance premiums, taxes, rates, or in or toward payment of prior liens, charges, encumbrances or claims charged or to be charged against the mortgaged premises, or in maintaining, repairing, restoring or completing the mortgaged premises, and in inspecting, leasing, managing or improving the mortgaged premises including the price or value of any goods of any sort or description supplied to be used on the mortgaged premises, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder of subsisting, and legal costs as between solicitor and client, and also an allowance for the time, work and expenses of the Mortgagee, or any agent, solicitor, or servant of the Mortgagee, for any purpose herein provided for whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise are to be secured hereby and shall be a charge on the Mortgaged premises, together with interest thereon at the said rate, and all such monies, shall be repayable to the Mortgagee on demand, or if not demanded, then with the next ensuing instalment payable hereunder, except as herein otherwise provided, and all such sums together with interest thereon are included in the expression "the mortgage monies".
15. Upon default being made for a period of one calendar month in the performance of any covenant given by the Mortgagor hereunder, and upon all monies payable under this Mortgage becoming due and payable, the Mortgagee shall be entitled to sell and convey the said lands and premises, without entering into possession of the same and without giving any notice to the Mortgagor of its intention so to do, and either before or after and subject to any demise or lease made by the Mortgagee as herein provided, provided that any sale made under the powers hereby given may be on such terms as to credit or otherwise as shall in the opinion of the Mortgagee be most advantageous and for such price as can be reasonably obtained therefor and that such sales may be made of any portion or portions of the mortgaged lands and premises, from time to time to satisfy any interest or any part of the principal overdue, leaving the principal or balance thereof to run at interest payable as aforesaid, and that the Mortgagee may make any stipulation as to title or otherwise as to the Mortgagee may seem proper, and the Mortgagee may buy in or rescind or vary any contract for sale of any of the said lands and premises, and resell without being responsible for any loss occasioned thereby. And for any of the said purposes the Mortgagee may make and execute such Agreements and assurances as shall be by the Mortgagee deemed necessary. The proceeds of any sale shall be applied as above provided or in payment of all monies payable under this Mortgage and costs, the balance, if any, to be paid to the Mortgagor.

16. (1) For better securing the punctual payment of the said mortgage monies, the Mortgagor hereby attorns and becomes tenant to the Mortgagee of the mortgaged premises at a monthly rental equivalent to the monthly instalments secured hereby, the same to be paid on each day appointed for the payment of instalments, and if any judgment, execution or attachment shall be issued against any of the goods or lands of the Mortgagor, or if the Mortgagor shall become insolvent or bankrupt or commit an act of bankruptcy within the meaning of The Bankruptcy Act or shall take the benefit of any statute relating to bankruptcy or insolvent debtors then such rental shall, if not already payable, be payable immediately thereafter. The legal relation of the Landlord and Tenant is hereby constituted between the Mortgagee and Mortgagor. The Mortgagee may at any time after default hereunder enter upon the mortgaged premises, or any part thereof and determine the tenancy hereby created without giving the Mortgagor any notice to quit; but neither this clause nor anything done by virtue thereof, shall render the Mortgagee a mortgagee in possession or accountable for any monies except those actually received and provided further that in case of the removal by the Mortgagor of his goods and chattels from the said lands, the Mortgagee may follow and seize and sell the same so as to realize the rent payable hereunder, together with all costs, charges and expenses including costs as between solicitor and client, attending such levy or distress, as in cases of distress for rent. And in case of the Mortgagor's default in the observance or performance of any of the terms and conditions of this Mortgage, the Mortgagee may enter upon the lands and terminate such tenancy without notice; provided that until such default the Mortgagor shall have quiet possession of the said lands.
- (2) That if the Mortgagor shall be in default in payment of principal or interest or any monies payable hereunder, or any part thereof, or in the observance or performance of any of the terms, covenants and conditions of this Mortgage, then it shall be lawful for the Mortgagee, and the Mortgagor doth hereby grant full power and license to the Mortgagee to enter upon the said lands or elsewhere and to seize and distrain upon any goods thereon, lawfully subject to distress and by distress to recover by way of rent reserved, as in the case of a demise of the said land, as much of such principal and interest as may from time to time be or remain in arrears and unpaid, together with all costs, charges and expenses, including costs as between solicitor and client, attending such levy or distress, as in cases of distress for rent.
- (3) And in consideration of the advance of the above named sum to the Mortgagor by the Mortgagee, if any seizure is made under either of the foregoing provisions of this clause the Mortgagor doth hereby waive any irregularity in connection with such seizure and any rights the Mortgagor might have by reason of such irregularity under any law, statutory or otherwise, for the time being in force in that behalf.
17. (1) If the Mortgagor is in default in the observance or performance of any of the terms, covenants and conditions of this Mortgage, then the Mortgagee shall have the right to enter into possession of the mortgaged premises by its agents or otherwise and to take and receive the rents, issues and profits thereof.
- (2) And if the said lands are unoccupied or are not being properly and economically used by the Mortgagor, at the Mortgagor's expense the Mortgagee may manage, sell, lease or otherwise dispose of the same on such terms as in its sole discretion it may deem proper and for such purposes the Mortgagor does hereby appoint the Mortgagee his attorney for him in his name to execute such agreements, transfers or conveyances as may be required for the purposes aforesaid, the Mortgagor hereby confirming and ratifying all things which the Mortgagee may do in connection therewith, provided, however, and it is hereby distinctly understood and agreed that any proceedings for sale or otherwise may be taken either before or after and subject to such demise or lease.
18. That as security for the payment of all monies owing hereunder, the Mortgagor doth hereby assign to the Mortgagee and agrees to assign to the Mortgagee all rents which shall now, or hereafter become payable by reason of any tenancy or tenancies covering the said lands or any part thereof; provided, however, the Mortgagee shall be accountable only for such monies as may actually come into the Mortgagee's possession, and further, that nothing in this provision or in any of the other terms of this Mortgage shall make the Mortgagee chargeable or accountable as a Mortgagee in possession.
19. And the Mortgagor further agrees that all documents and papers concerning or affecting the title to the said land, except the duplicate Certificate of Title, shall be held by the Mortgagee during the currency of this Mortgage.
20. Provided always and it is expressly agreed and declared that in any action, suit or proceeding for enforcing the said Mortgage, or to recover payment of the monies hereby secured, or for the sale or obtaining possession of the said lands, or any part thereof, service of any notice, or of any legal or other proceeding by the Mortgagee, or by any statute, ordinance, rule, or practice required to be given, or served, may be effected by posting a copy of the same on said land (if unoccupied) and the Mortgagor hereby covenants and agrees to such notice being given or such service being made as aforesaid, and that the same shall be in lieu of and shall have the same effect and be taken as personal notice or service; any statute, ordinance, order, rule, or practice to the contrary notwithstanding.

21. And in the event of the Mortgagor's default in the observance or performance of any of the terms or conditions of this mortgage, then the Mortgagor hereby covenants and agrees that the Mortgagee may forthwith take such proceedings to realize on its security created by this Mortgage, or in respect of any other security held by it for the monies payable hereunder, or otherwise as it may by law be entitled to do.
22. That no waiver on behalf of the Mortgagee of any breach of any of the terms, covenants, and conditions of this Mortgage, whether negative or positive in form, shall take effect or be binding upon the Mortgagee unless that same be expressed in writing under the authority of the Mortgagee or its agent and any waiver so expressed shall extend only to the particular breach so waived, and shall not limit or effect the Mortgagee's rights with respect to any other or future breach.
23. Any discharge of this Mortgage shall be prepared by the solicitors for the Mortgagee and the Mortgagee shall have a reasonable time after receipt of payment within which to have prepared and to execute such Discharge; and tender of the Mortgage monies shall not entitle the Mortgagor to receive such Discharge forthwith and interest as aforesaid shall continue to run and accrue from day to day until actual payment in full has been received by the Mortgagee. All legal and other expenses for the preparation and execution of the said Discharge shall be borne by the Mortgagor.
24. If the Mortgagor is erecting buildings upon the said land:
- (1) The Mortgagor covenants with the Mortgagee that he, the Mortgagor, will proceed with due diligence with the erection and completion the said buildings in accordance with the plans and specifications thereof approved or to be approved by the Mortgagee.
- (2) The Mortgagee may, in its absolute discretion, advance under this Mortgage the sum hereby secured in such amounts from time to time as the Inspector or Valuator of the Mortgagee may approve and the Mortgagee may deem proper, it being the intention that the said money may be advanced as the buildings progress in such amounts as the Mortgagee may in its absolute discretion deem prudent.
- (3) And it is hereby declared and agreed that the Mortgagee shall be at liberty to retain such sums out of any and all advances made as it may deem necessary to cover any liens for work or labour done or materials or services provided in or for the said buildings until such liens be discharged, and that the Mortgagee may also retain out of any and all advances made, a sum sufficient to provide for and indemnify it against such liens, for a sufficient lapse of time after completion of the buildings and also that the Mortgagee may, in its absolute discretion, pay off any such liens which may exist or be claimed and it shall not be liable or responsible to the Mortgagor for the validity or correctness of any such claim, and in case the Mortgagee shall pay any such liens to an amount greater than the balance of money which it shall have on hand to be paid over under this Mortgage, such sums so paid shall be a further charge on the said lands, and shall bear interest at the same rate as the said Mortgage money and shall be immediately payable to it by the Mortgagor and shall be added to the Mortgage debt and shall be secured by these presents.
- (4) And it is hereby agreed that in case the Mortgagor should fail in the erection of the said buildings or should neglect to carry on work of erecting said buildings with reasonable diligence, the Mortgagee may, in its absolute discretion, enter upon the said lands with power in its absolute discretion to alter the plans and specifications if it deems it necessary to do so in order the better to complete the said buildings, and may complete the same and apply all or any unadvanced portion of the principal sum towards payment of the cost (and interest thereon, if any), of completing the buildings, without thereby becoming liable as Mortgagee in possession. And in case it should be unable properly to complete the same with the monies so remaining in its hands, and should advance or lay out any further sum therefor, such further sum shall be deemed to be a further advance under this Mortgage and shall bear interest at the rate herein mentioned and shall immediately be repayable by the Mortgagor and shall be added to the mortgage debt and shall be secured by these presents.
- (5) It also agreed that in case of such default in the erection of the buildings, or in case any lien is registered against the said lands, the money secured by this Mortgage shall, at the option of the Mortgagee, immediately become due and payable and the Mortgagee may (whether it proceeds with the buildings as above mentioned or not) exercise the powers of sale contained in this Mortgage or proceed to take legal proceedings under this Mortgage and to exercise any of its other remedies whatsoever.
25. And the Mortgagor further covenants and agrees with the Mortgagee that he,
- (1) Has a good title to the said land;
- (2) Has the right to mortgage the land;
- (3) And that on default the Mortgagee shall have quiet possession of the land, free from all encumbrances;
- (4) Will execute such further assurances of the land as may be requisite;

- (5) Has done no act to encumber the land.
26. And the for better securing the Mortgagee the repayment in manner aforesaid of the said principal and interest and all other monies payable hereunder and secured hereby, the Mortgagor hereby mortgages to the said Mortgagee his estate and interest in the above described lands.
27. Without prejudice to any rights of the Mortgagee against the Mortgagor or any other persons liable for payment of the money hereby secured, this Mortgage may be renewed be an agreement in writing at or before maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrancers. And it shall not be necessary to register any such agreement in order to retain priority of this Mortgage so altered over any instrument registered subsequently to this Mortgage provided, however that the Mortgagee may at any time, at its option, register a Caveat under and by virtue of such renewal agreement.
28. And it is further hereby agreed that all rights and liabilities under this Mortgage shall enure to the benefit of and be binding upon the successors an assigns of the Mortgagee and the heirs, executors, administrators, successors and assigns of the Mortgagor; and further that the words referring the Mortgagor which import the singular number and the masculine gender, shall be read and construed as applied to each and every Mortgagor, male or female, and to his or her heirs, executors, administrators and assigns; and in the case of a corporation, to such corporation and its successors and assigns; and that if there should be more than one Mortgagor and the said covenants, provisoes, conditions and agreements shall be construed and held to be several as well as joint.
29. Any payment that is cancelled or returned NSF will result in a minimum fee of \$75.00 payable to the Mortgagee.
30. A fee will be charged in the event that this mortgage is renewed or assumed.
31. The Mortgagor, when not in default shall have the privilege of full repayment or any part thereof without notice or bonus.

IN WITNESS WHEREOF the Mortgagor has hereunto signed their name this 26th day of February, 2016.

686949 N.B. Ltd.



Per: _____
Director, James Youm

EXHIBIT “Q”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

Paul Moffett

From: William Kean <wck@brentonkean.com>
Sent: Wednesday, June 18, 2025 4:34 PM
To: Paula Gray; Edwin G. Ehrhardt
Cc: Paul Moffett
Subject: COurt File No. SJM-31-2025
Attachments: CRO - PID 35257328.Feb 27.25.pdf; Lis Pendens.#45704229.pdf; SJM 31 2025 SISP Approval Order DJS Apr 16 2025Signed.pdf; SJM 31 2025 Receivership Order DJS Feb 21 2025.pdf

Hi Ted,

We will be preparing Application materials further to the attached SISP Approval Order to authorize the sale of the Hotel property. As part of the Application, we will be requesting that the Lis Pendens that you filed as attached be removed from title. It is our understanding that the matter involves a claim regarding an unregistered mortgage, which would potentially be dealt with as a financial claim in the eventual claims process, rather than a claim to title. Would you be able to send to me a copy of the Statement of Claim for Case: EC-109-2024?

In addition, in respect of the eventual claims process, we will need to identify potential creditors. I understand from the Receiver that he has received confirmation from several sources that James Youm has possession of the corporate records, but that he has not provided any information to the Receiver as requested. It is a requirement of the Receivership Order, particularly section 5, that he make those records available to the Receiver. I know that you have repeatedly urged him to co-operate. I also understand that he may be dealing with health issues. Would you be able to request this information once again, and we will take steps as may be required to accommodate any physical issues that he could be facing in delivering those documents? Could you remind him that failure to comply with the Receivership Order could result in a contempt of court finding?

Regards,

Bill Kean

William (Bill) C. Kean, K.C.*
Partner
Brenton Kean
Lawyers - Avocats
Direct Tel: (506) 646-7505
Direct Fax: (506) 693-1166
Email: wck@brentonkean.com

** Practising through William Kean Professional Corporation*

This e-mail is confidential and may be privileged. Unauthorized disclosure is prohibited. If you have received this in error, kindly notify us. Please then delete this message and any attachments from your records. Thank you.

Ce courriel est confidentiel. L'usage non autorisé de cette transmission est strictement interdit. Si vous avez reçu ce message par erreur, veuillez s'il-vous-plaît nous aviser et détruire les documents envoyés sans en faire copie. Merci.

From: Paula Gray <pgray@bingham.ca>
Sent: April 9, 2025 3:15 PM

To: William Kean <wck@brentonkean.com>; Deborah L. Northrup <dln@brentonkean.com>

Subject: Sunhye Chung and 693791 N.B. Ltd. et al. /Court File No.: MM-190-2024

CAUTION: This email originated from outside the organization. Do not click links or open any images unless you recognize the sender and know the content is safe.

Dear Mr. Kean/Ms. Northrup;

Please see attached correspondence on behalf of Solicitor Ehrhardt.

Paula Gray

Legal Assistant – Adjointe juridique

*NOTE: Please note that we have moved to a new address/Veuillez noter que notre adresse a change.

Place Marven's Place

310-1, Factory Lane,

Moncton, N.-B., E1C 9M3

† 506.383.6348

‡ 506.857.2017

BINGHAM.CA



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EXHIBIT “R”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

IN THE MATTER OF THE RECEIVERSHIP OF
686949 N.B. Ltd. dba TRAVELODGE EDMUNDSTON
OF THE CITY OF EDMUNDSTON IN THE PROVINCE OF NEW BRUNSWICK

NOTICE TO CREDITORS

On February 21, 2025, Powell Associates Ltd. ("PAL") was appointed by Order of the Court of King's Bench of New Brunswick (the "Receivership Order") as the receiver (the "Receiver"), without security, of all assets and undertakings of 686949 N.B. Ltd. (the "Travelodge Edmundston"). On _____, 2025, the Court granted an Order (the "Claims Process Order") directing the Receiver to solicit claims from all known or suspected creditors or claimants in respect of Travelodge Edmundston (a "Claimant") for the purposes of identifying those creditors with valid claims in respect of Travelodge Edmundston (a "Claim"), and determination of such Claims.

Any Creditor having a Claim in respect of Travelodge Edmundston arising on or before February 21, 2025, of any nature whatsoever, including an unsecured, secured, property, contingent or unliquidated claim is required to file, in the manner set out in this Notice to Creditors, a Proof of Claim in the prescribed form (which has been provided to you with this Notice to Creditors) with the Receiver in order to participate in any distribution associated with these proceedings.

Additional copies of the fillable prescribed Proof of Claim can be obtained by contacting the Receiver via telephone at (506) 638-9131 or via email at pmoffett@maritimetrustee.ca or it can be downloaded from the Receiver's website at maritimetrustee.ca/blog/corporate-filings/686949-n-b-ltd/

Any Creditor who chooses to file a Proof of Claim is required to provide whatever documentation they may have to support their Claim in respect of Travelodge Edmundston, such as contracts, invoices, bills of lading, and shipping receipts, in relation to the goods and/or services provided to Travelodge Edmundston in the appropriate currency under which their Claim arose.

All Proof of Claim forms, together with the required supporting documentation, must be sent by mail, personally delivered, or sent by courier, facsimile or electronic mail to the following contact information on or before 5:00 p.m. (Atlantic Time) on _____, 2025 (the "Claims Bar Date").

Powell Associates Ltd.
Attn: Paul Moffet
302-133 Prince William Street,
Saint John, NB E2L 2B5
Phone: (506) 638-9220
Fax: (506) 638-1428
pmoffett@maritimetrustee.ca

All creditors must account for the following:

1. All Claims must be adjusted for any equipment and/or other assets released by Travelodge Edmundston to the Claimant whether by court order or otherwise; and
2. Where a Claimant is claiming an offset against all or a portion of amounts owing to Travelodge Edmundston, full particulars of the offset must be included.

ALL CLAIMS RECEIVED BY THE RECEIVER AFTER THE CLAIMS BAR DATE WILL, UNLESS OTHERWISE ORDERED BY THE COURT, BE FOREVER EXTINGUISHED AND BARRED.

The Receiver will accumulate the Proof of Claim forms and, in due course, provide to the Claimant a notice in writing by registered mail, courier, facsimile or electronic mail as to whether their Claim is accepted, or disputed in whole or in part, and indicating the reason for the dispute pursuant to a Notice of Revision or Disallowance.

Where a Claimant objects to a Notice of Revision or Disallowance, the Claimant shall notify the Receiver of its objection in writing (the "Notice of Dispute") within 14 days from the date the Notice of Revision or Disallowance was received.

The Receiver will attempt to consensually resolve disputes with respect to any Claim. If the dispute cannot be resolved, the Claimant will be required to bring an application before the Court for the determination of the Claim.

A Claimant that does not provide to the Receiver a Notice of Dispute to a Notice of Revision or Disallowance issued by the Receiver shall, unless otherwise ordered by the Court, be conclusively deemed to have accepted the assessment of its Claim as set out in such Notice of Revision or Disallowance.

DATED at _____, this ____ day of _____, 2025.

POWELL ASSOCIATES LTD.

in its capacity as Court-appointed Receiver of 686949 N.B. Ltd.
and not in its personal or corporate capacity

Paul Moffett, MBA CIRP LIT

Vice President

D: 506.638.9131 | pmoffett@maritimetrustee.ca

Form 31

Proof of Claim

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

All notices or correspondence regarding this claim must be forwarded to the following address: _____

In the matter of the bankruptcy (or the proposal, or the receivership) of 686949 N.B. Ltd. dba Travelodge Edmundston (name of debtor) of Edmundston, NB (city and province) and the claim of _____, creditor.

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

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).

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

3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the 21st day of February, 2025, and still is, indebted to the creditor in the sum of \$0, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

\$ _____

☐ A. UNSECURED CLAIM OF \$ _____

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

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

(Check appropriate description)

☐ Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

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

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

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$_____.

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$0 as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$0

(Attach a copy of sales agreement and delivery receipts.)

☐ E. CLAIM BY WAGE EARNER OF \$ _____

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

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

☐ F. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ G. CLAIM OF **EQUITY HOLDER** \$ _____

That I hereby make **an Equity Claim** as defined in section 2 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

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

IMPORTANT: Please select the option that applies in the paragraph above.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: *(Provide details of payments, credits and transfers at undervalue.)*

Dated at _____, this day of 2025.

Witness

Creditor

Creditor

Phone Number:

Fax Number:

E-mail Address: (____)_____

Note: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

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

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

Note: If a copy of this Form is sent electronically by means such as email, the name and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.

EXHIBIT “S”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

IN THE MATTER OF THE RECEIVERSHIP OF
686949 N.B. Ltd. dba TRAVELODGE EDMUNDSTON
OF THE CITY OF EDMUNDSTON IN THE PROVINCE OF NEW BRUNSWICK

NOTICE OF REVISION OR DISALLOWANCE

To: _____
(Name of Creditor)

Defined terms not defined in this Notice of Revision or Disallowance shall have the meaning ascribed in the Claims Process Order, dated _____, 2025.

Pursuant to the Claims Process Order, Powell Associates Ltd., in its capacity as Receiver, hereby gives you notice that it has reviewed your Proof of Claim dated _____ and in the amount of \$_____ and has revised or disallowed your Claim. Subject to further dispute by you in accordance with the Claims Process Order, your Claim will be allowed as follows:

Claim Amount \$_____

REASON(S) OF DISALLOWANCE:

If you intend to dispute the Notice of Revision or Disallowance, you must within 14 days of the date of receipt of the Notice of Revision or Disallowance deliver to the Receiver the enclosed Notice of Dispute either by courier, facsimile or electronic mail to the address noted below. Notices of Dispute shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day, or, if delivered outside of normal business hours, on the next Business Day.

Powell Associates Ltd.
Attn: Paul Moffet
302-133 Prince William Street,
Saint John, NB E2L 2B5
Phone: (506) 638-9220
Fax: (506) 638-1428
pmoffett@maritimetrustee.ca

IF YOU FAIL TO FILE YOUR NOTICE OF DISPUTE WITHIN 14 DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THIS NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CREDITOR CLAIM WILL BE DEEMED TO BE

**ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF REVISION OR
DISALLOWANCE.**

DATED at _____, this ____ day of _____, 2025.

POWELL ASSOCIATES LTD.

in its capacity as Court-appointed Receiver of 686949 N.B. Ltd.
and not in its personal or corporate capacity

Paul Moffett, MBA CIRP LIT

Vice President

D: 506.638.9131 | pmoffett@maritimetrustee.ca

EXHIBIT “T”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

IN THE MATTER OF THE RECEIVERSHIP OF
686949 N.B. Ltd. dba TRAVELODGE EDMUNDSTON
OF THE CITY OF EDMUNDSTON IN THE PROVINCE OF NEW BRUNSWICK

NOTICE OF DISPUTE

Terms not defined in this Notice of Dispute shall have the meaning ascribed in the Claims Process Order, dated _____, 2025.

Particulars of Claimant:

Full legal name of Claimant: _____

Full mailing address of Claimant: _____

Tel: _____

Fax: _____

Email: _____

Attention: _____

Dispute of Notice of Revision or Disallowance:

The Claimant hereby disagrees with the value of its Claim as set out in the Notice of Revision or Disallowance and asserts a Claim as follows:

Claim \$ _____

REASON(S) FOR DISPUTE:

(You must include a list of reasons as to why you are disputing your Claimant Claim as set out in the Claimant Notice of Revision or disallowance.)

SERVICE OF NOTICE OF DISPUTE:

If you intend to dispute the Claimant Notice of Revision or Disallowance, you must within 14 days of the Date of receipt of the Notice of Revision or Disallowance deliver to the Receiver this Claimant Dispute Notice either by courier, facsimile or electronic mail to the address noted below. The Notice of Dispute shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day, or, if delivered outside of normal business hours, on the next Business Day.

Powell Associates Ltd.
Attn: Paul Moffet
302-133 Prince William Street,
Saint John, NB E2L 2B5
Phone: (506) 638-9220
Fax: (506) 638-1428
pmoffett@maritimetrustee.ca

IF YOU FAIL TO FILE YOUR NOTICE OF DISPUTE WITHIN 14 DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THIS NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CREDITOR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.

DATED at _____, this ____ day of _____, 2025.

Witness

Full Legal Name Claimant

Name & Title of Representative if
Claimant is a Corporation

Signature of Claimant or
Representative of Claimant

Must be signed and witnessed

EXHIBIT “U”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

District of New Brunswick
Division No. 01 - Saint John
Court No.
Estate No. 51-126532

Form 12
Interim Statement of Receipts and Disbursements

Interim

RECEIPTS

1. Asset Realization

Building and Land

2. Miscellaneous

Advance from secured creditors

Interest allocation

104,168.21

100.56

104,268.77

TOTAL RECEIPTS

DISBURSEMENTS

3. Fees Paid

To official receiver

80.42

80.42

4. Other advertising

2,098.00

2,098.00

5. Premium

Insurance

27,748.80

27,748.80

6. Miscellaneous

Bank charges

68.00

HST paid (ITC)

11,095.54

Utilities

20,201.05

Repairs & maintenance

3,570.00

Legal fees/disbursements

7,805.75

Appraisal fees

7,300.00

Receiver's fees and costs

35,879.11

Registration of receivership

42.00

85,961.45

TOTAL DISBURSEMENTS

115,888.67

Note: How much of the total disbursements was paid for
services provided by persons related to the trustee?

0.00

Amount available for distribution

7. Levy payable under section 147 of the Act

0.00

8. Unsecured creditors

Proved claims of

0.00

9. Amount retained in the Trust account by the Trustee:

Dated at the City of Saint John in the Province of New Brunswick, this 30th day of June 2025.

Powell Associates Ltd. - Licensed Insolvency Trustee



302 - 133 Prince William St.
Saint John NB E2L 2B5
Phone: (506) 638-9220 Fax: (506) 638-1428

EXHIBIT “V”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.



Brenton Kean
75 Prince William Street. 4th floor
Saint John, N.B E2L2B2
Phone: (506) 633-2556
Fax: (506) 633-5902

Powell Associates Ltd.
Suite 302 - 133 Prince William Street
Saint John, NB E2L 2B4

April 16, 2025

File #: 19351009
Invoice #: 26827

RE: Receivership of 686949 N.B. Ltd.

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter during the period from February 21, 2025 to April 16, 2025:

FEES

2025-02-21	Telephone call from and to P. Moffett; re receivership	WCK	0.80	292.00
2025-02-23	Emails with Paul M. and review Colliers action; review Order	WCK	0.70	255.50
2025-02-25	Telephone call to Paul M.	WCK	0.80	292.00
2025-02-27	Various emails with Receiver and other parties; review materials order CRO; TCF Ted E.	WCK	1.40	511.00
2025-02-28	Several emails with Receiver and others	WCK	0.40	146.00
2025-03-05	Telephone call to R. Viel re deposits	WCK	0.30	109.50
2025-03-10	TCF Paul M.; emails with Ted E.; review materials re: deposit	WCK	1.20	438.00
2025-03-11	Complete review of materials; draft letter re: stay re deposit; email to Paul M.; TCF Paul M.	WCK	1.40	511.00
2025-03-12	Emails with Paul M.; revise letter re: deposits	WCK	0.60	219.00
2025-03-13	Telephone call to Paul M.; telephone call from Charles H.; emails with C. Hache	WCK	0.70	255.50
2025-03-13	Calls and emails with Paul M.; email to G. Cooper re Moncton action; emails with Ted E.	WCK	0.80	292.00
2025-03-24	Call with Paul M. re various matters; email from C. Hache	WCK	1.50	547.50
2025-03-26	Telephone call from Paul M.; review documents; email opinions to Paul M.; letter to Colliers re deposit; email to C. Hache	WCK	2.10	766.50
2025-03-27	Several emails re deposit	WCK	0.50	182.50
2025-03-27	Telephone call to Paul M. re various issues	WCK	0.40	146.00
2025-03-28	Emails with C. Hache	WCK	0.20	73.00
2025-03-31	Draft Motion; emails with Paul M.	WCK	0.50	182.50
2025-04-01	Emails with C. Hache; review and provide comments to Receiver report; telephone call from Paul M.; email to S. Wilson re TD security	WCK	1.80	657.00
2025-04-02	Emails with S. Wilson and P. Moffett; telephone call from P. Moffett	WCK	0.40	146.00
2025-04-02	Draft motion; emails with P. Moffett; review report	WCK	1.20	438.00

2025-04-09	Several emails with client and counsel; emails with client; letter from Ted E.; prepare Record	WCK	1.10	401.50
2025-04-11	Review draft APS; call with P. Moffett	WCK	1.20	438.00
2025-04-14	Draft APS	WCK	1.00	365.00
Total FEES			21.00	\$7,665.00

FEE EARNER SUMMARY

Fee Earner		Hours	Amount
WCK	William C. Kean, K.C.	21.00	7,665.00

DISBURSEMENTS

2025-02-27	Certificate of Registered Ownership PID 35257328	35.00	*
2025-03-13	Property Tax Certificate	20.00	*
	Copying	85.75	
Total DISBURSEMENTS			\$140.75

New Charges	\$7,805.75
HST	\$1,162.61
Total	\$8,968.36

Balance Due	\$8,968.36
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HST on Fees	\$1,149.75
HST on Disbursements	\$12.86
HST (Registration #: 838291730)	

* tax-exempt

This invoice is due upon receipt. Interest will be charged on all accounts over 30 days at the rate of 1.5% per month, 18% per annum.

EXHIBIT “W”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.

INVOICE

Receivership of 686949 N.B. Ltd.
 c/o Powell Associates Ltd.
 302-133 Prince William Street
 Saint John, NB E2L 2B5

Date: Jul 2/25
 Invoice No: 25-115
 File No: 51-126532
 BR: PMoffett

Re: 686949 N.B. Ltd. – Court Appointed Receivership

This invoice is for professional fees and expenses rendered from March 26, 2025 to June 30, 2025, as are more particularly described in the attached Details of Professional Time.

	Hours	Rate	Total
Professional Time			
Robert W. Powell, LIT	18.80	\$ 425.00	\$ 7,990.00
Angela Rodgers, CIRP, LIT	0.90	\$ 425.00	382.50
Paul Moffett, CIRP, LIT	87.50	\$ 425.00	37,187.50
David Moffatt, Senior Insolvency Administrator	11.30	\$ 275.00	3,107.50
	<u>118.50</u>		<u>48,667.50</u>
Expenses			
Mileage			106.60
			<u>106.60</u>
Total Professional Time and Expenses			48,774.10
HST @ 15%			<u>7,316.12</u>
THIS INVOICE			<u>\$ 56,090.22</u>

PAYMENT BY EFT OR WIRE TRANSFER

Bank | SWIFT: Royal Bank of Canada, 169 Hampton Road, Quispamsis, NB, E2E 2R3, (506) 849-5555 | ROYCCAT2

Bank | Transit | Account | Account Name: 003 | 01904 | 1005503 | Powell Associates Ltd.

HST NUMBER: 83792 9207

Accounts are due when rendered. Interest at 1.5% per month will be charged from the invoice date on accounts unpaid after 20 business days.

POWELL ASSOCIATES LTD. | Licensed Insolvency Trustee

302-133 Prince William St., Saint John, NB, E2L 2B5

T: 506.638.9220 | F: 506.638.1428 | mail@maritimetrustee.ca

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
26-Mar-2025	Moffatt, David	0.1	brief tdw employee re service canada form; directed them to service canada.
26-Mar-2025	Moffett, Paul	3.5	Preparation of advance request to City Hotels NB Inc. EMs t/f Avison Young re SISP proposal. File Admin. Review of C&W supplemental to SISP proposal. TDw counsel re Colliers and WEPP. Draft court Sale Proposal Approval Order. Finalize first draft of 1st report and send to RWP for comment.
27-Mar-2025	Moffatt, David	0.2	vmf Lise, spouse of employee El Hamdi, re para 5 of POC; attempted to call, left voicemail; She called back and discussed para 5 of POC.
27-Mar-2025	Moffett, Paul	1.7	EMs from Counsel re WEPP, Colliers, and Sandhyaji. Action items for each and touch up 1st report relating to same. TDw SSparks re timing, advance, JYoum, Colliers. TDw Colliers re description of SISP and modify SISP process in report. Numerous EMs re Sandhyaji matter. EMs t/f Meridian OneCap requesting information and re PPSA registration. TDw RWP re 1st report and re changes to SISP.
27-Mar-2025	Powell, Robert	2.5	review of initial draft of first report; dw PDM re same
28-Mar-2025	Moffatt, David	0.6	review 3 employee POCs re WEPPA, send amended info to WEPPA re submission of POC and send copy to employees; replied to emf WorkingNB re number of employees.
28-Mar-2025	Moffett, Paul	3.5	Lengthy TDw RWP to address comments re 1st report and proposed SISP. Make changes to 1st report as 3rd draft and send to counsel for review. TDw SSparks re suggestion for property mgmt. TDw GGodbout and EMt LChung regarding prop mgmt in light of LChungs notice of resignation.
28-Mar-2025	Powell, Robert	1.0	dw PDM re draft report and proposed changes
31-Mar-2025	Moffatt, David	0.1	review emf WorkingNB.
31-Mar-2025	Moffett, Paul	1.3	Texts and TDw Leo re possible replacement property managers. TDw Leo re same. Begin drafting Template APS for SISP.
01-Apr-2025	Moffatt, David	0.4	Review ems between PDM and RWP. No action required from me; emf FCA, responded; prep and reimburse PAL for recoverable expenses.
01-Apr-2025	Moffett, Paul	1.3	Internal emails re receipt of advance from City Hotels NB. cursory review of Template APS received from Colliers. TDw RWP re same. EMs CHache re discontinuance regarding Sandhyagi matter. Receive, review and send for payment propane invoice. Review and adopt redline changes to report and order from Counsel. TDw Counsel re same.
02-Apr-2025	Moffatt, David	0.2	Prep and make payment to superior propane
02-Apr-2025	Moffett, Paul	3.9	EMs t/f TD counsel and Mortgage lender and TD and counsel re proposed SISP and Colliers as agent. TDs with RWP and Counsel re final version of Receiver's 1st report. Review Notice of Motion and give comment to Counsel. Finalize report and send to Counsel for filing with Notice of Motion. Review draft template of APS provided by Colliers and adapt to sale. TDw Colliers re advertising, inclusion of proposal in report, financial information in hand. Review approve and send for payment invoice from LChung. VMf and EMt SNB re cheque payable to minister of finance. Review final notice of motion and EMt and TDw counsel re service list. TDw BPelletier re property management.

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
02-Apr-2025	Powell, Robert	0.4	review BKeane report amendments and dw PDM re same and finalization of report
03-Apr-2025	Moffatt, David	0.3	Review and prep payment to LChung; emf employee (Lorhlan) with POC, noted deficiencies and sent him an email to correct.
03-Apr-2025	Moffett, Paul	1.2	TDw prospective new prop. mgr. Continued modification of Template APS and forward to Counsel for further review. TDs with DPelletier & LChung re handoff for property management. Also re water, cameras, Lorex, and wifi.
03-Apr-2025	Powell, Robert	0.1	review and approve LChung expense; sign cheque
04-Apr-2025	Moffatt, David	0.2	rec corrected POC from ex-employee Lorhlan, submitted info to WEPP and provided copy of WEPP submission to Lorhlan.
04-Apr-2025	Moffett, Paul	0.3	File admin relating to advance from secured creditor. Issue Receiver's certificate to City Hotels NB.
07-Apr-2025	Moffett, Paul	1.7	Detailed review of appraisal. TDw RWP re same. EMt Appraiser. TDw Appraiser re 2 other sales and re occupancy numbers. Further EMs t/f real estate appraiser.
07-Apr-2025	Powell, Robert	0.4	review marked-up appraisal and PDM notes; dw PDM re appraisal
07-Apr-2025	Powell, Robert	0.1	review and approve DeStecher invoice; sign cheque
08-Apr-2025	Moffatt, David	0.2	Pre and make payment to de Stecher Appraisals
08-Apr-2025	Moffett, Paul	0.5	EMs t/f new prop mgr re water, boiler, and going forward. EMs t/f brokers re update on SISP proposals. Receive Notice of Motion and First report as filed with Court. Acknowledge receipt.
08-Apr-2025	Powell, Robert	0.1	ems w PDM re PPSA notice; review initial order
09-Apr-2025	Moffatt, David	0.4	began f/up with ex-employees re unfiled WEPP POCs
09-Apr-2025	Moffett, Paul	1.3	TDw Cushman Wakefield re SISP proposal. TDw interested party and answer questions regarding anticipated sales process. Draft EM to mortgage lender and TD regarding financial comptroller. EMs t/f Superior Propane re equipment. EM t/f Counsel re same and re Template APS. TDs with CRA re compliance and trust exams. FT CRA re comfort letter and re financial contact for CRA. TDw RWP re claims process, if and/or when. EMt TD counsel re follow up on request for bank statements.
09-Apr-2025	Powell, Robert	0.2	dw PDM re claims process vs bankruptcy and timing, discuss and review bank statements and o/s HST returns
10-Apr-2025	Moffatt, David	0.4	follow-up with remaining employees re WEPPA claim.
10-Apr-2025	Moffett, Paul	0.6	EMt Rogers and arrangements for continued internet service. Review updated appraisal. Receive and review LF Bingham re Youm and provision of books & records.
11-Apr-2025	Moffett, Paul	0.7	TDw Counsel re hearing, Youm, claims process, template APS, TD security, and Meridian OneCap.
14-Apr-2025	Moffatt, David	0.3	Received POC from CBlanchard, ex-employee of company, reviewed, tdw CBlanchard re deficiencies, mailed out new POC for completion.
14-Apr-2025	Moffett, Paul	0.9	Brief TDw Gaetan (former manager). Review bank statement and cancelled cheque information provided by TD Counsel. EMt LChung re transactions. Send for payment of insurance premiums. File admin relating to prep for hearing.
14-Apr-2025	Powell, Robert	0.2	deal with PAD insurance pmt from PAL's RBC account; review and approve reimbursement; sign chq

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
15-Apr-2025	Moffatt, David	0.2	Prep and make payment to PAL to reimburse insurance payment taken from PAL's operating account.
15-Apr-2025	Moffett, Paul	0.5	Review information provided by LChung re transactions prior to closing. Review report in prep for tomorrow's hearing. EMs t/f BKean re Template APS.
16-Apr-2025	Moffatt, David	0.2	emf MLorhlan, ex-employee, re WEPP Claim; I responded; reply from MLorhlan - no action required.
16-Apr-2025	Moffett, Paul	3.1	Travel from Sussex NB to court hearing in Saint John NB and return. Review final version of APS and prep for court hearing. Attend hearing. Continued attempts to switch over Rogers internet service; TDs and EM re same.
17-Apr-2025	Moffatt, David	0.4	tdw PDM and RWP re website materials to be posted.
17-Apr-2025	Moffett, Paul	1.1	Review draft listing agreement from Colliers and send to Counsel for review. TDw DMoffatt re uploading docs to webpage.
18-Apr-2025	Moffatt, David	0.3	Upload court order and filings to website.
18-Apr-2025	Moffatt, David	0.2	emf PDM re affidavit removal from website; remove from website and replied to emf PDM.
19-Apr-2025	Moffatt, David	0.2	Re-upload affidavit to website.
22-Apr-2025	Moffatt, David	0.1	emf SAboulaziz, ex-employee, re WEPP POC. Replied.
22-Apr-2025	Moffatt, David	0.2	vmf and tdw wife of Mr. El Hamdi, ex-employee, re Service Canada Application for WEPP.
22-Apr-2025	Moffett, Paul	1.1	EMf counsel and EMt Colliers re draft listing agreement. Review redlined version and send on to Colliers for review. Receive, review and send for payment invoice for Counsel. EMs t/f and TDw EMacLean re client interested in hotel.
22-Apr-2025	Powell, Robert	0.1	review and approve Brenton Kean invoice; sign cheque
23-Apr-2025	Moffett, Paul	0.9	Finalized review of listing agreement and TDw Counsel re same. Execute listing agreement and send to Colliers. EMs t/f EMacLean re Patels' interest. EMt Colliers re occupancy reports and interested parties.
24-Apr-2025	Moffatt, David	0.2	Prep and make payment to Brenton Kean
24-Apr-2025	Moffett, Paul	0.4	EMs t/f Colliers re NDA. Receive, review, approve for pymt invoice from City of Edmundston. TDw Colliers re date of closing and franchise with travelodge.
24-Apr-2025	Powell, Robert	0.1	review and approve City of Edmundston payment; sign chq
25-Apr-2025	Moffatt, David	0.2	reviewed WEPP POC of MLorhlan, emt him re dealing at arm's length or not.
25-Apr-2025	Moffett, Paul	0.5	Review NDA provided by Colliers. Send to counsel. Receive counsel's comments and EMt and TDw counsel re same and other suggestions. EMt Colliers. File Admin.
28-Apr-2025	Moffatt, David	0.3	rec and process WEPP POC from HBensafia as well as rec reply re arms length from MLorhlan.
28-Apr-2025	Moffatt, David	0.2	Prep and make payment to City of Edmundston
28-Apr-2025	Moffett, Paul	1.8	TDs and EMs t/f Rogers re not continuing internet service from date of receivership. Receive and review photos relating to contents appraisal. Review and approve and send for payment invoice for same. Review documents received from Colliers intended for VDR. EMs t/f counsel and Meridian One Cap re boilers.

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
29-Apr-2025	Moffatt, David	0.4	emf ARahali re WEPP POC, responded inquiring as to relation with debtor company; rec CBlanchard amended WEPP POC, reviewed, tdw AR re the same, and submitted info to WEPP.
29-Apr-2025	Moffatt, David	0.2	Prep and make payment to Cameron Industrial Inc.
29-Apr-2025	Moffett, Paul	0.2	TDw RWP re boilers and VDR Room
29-Apr-2025	Moffett, Paul	0.5	Review of CIM and Investor Profile (CA) from colliers and provide comment re same.
29-Apr-2025	Powell, Robert	0.3	dw PDM re boilers and lease, documents to include in virtual data room, pursuing recovery of funds from Yume; review lease and initial order
29-Apr-2025	Rodgers, Angela	0.1	brief tdw DM re WEPP POC.
30-Apr-2025	Moffatt, David	0.5	followed up with o/s WEPP POCs
30-Apr-2025	Moffett, Paul	0.8	Prep for call. TDw Counsel re documents to be included in VDR, Meridian One Cap and boiler, and pricing guidance. EMs to Colliers re VDR and no pricing guidance and updated Template APS.
01-May-2025	Moffatt, David	0.2	brief tdw PDM re status of WEPP and file.
01-May-2025	Moffatt, David	0.2	tdw PDM re hotel advertising, graphic and website requirements.
01-May-2025	Moffett, Paul	1.8	TDw DMoffatt re update on WEPP admin. Review response email from Meridian OneCap and review bank statements to confirm if lease payments appear to have been paid. Response EMt counsel. Review VDR and EM to Colliers. Draft ad for Insolvency Insider. EMt DMoffatt re thumbnail for AllNovaScotia web page. EMs t/f Insolvency Insider and Allnovascotia. Receive, review, and send for payment invoice for snow removal. Arrangements for teaser and link on PAL website. LinkedIn post.
02-May-2025	Moffatt, David	0.2	tdw spouse of OEIHamdi re status of wepp claim, reviewed to service canada.
02-May-2025	Moffatt, David	0.5	post link to Collier's listing our our website; create and upload teaser to our website; tdw PDM re adjusting ad image.
02-May-2025	Moffett, Paul	1.1	Back and forth EMs with AllNovaScotia and Colliers re advertisement. TDw DMoffatt re ad image. EMf Meridian OneCap. Receive and review cooperation agreement from Colliers. Mark Up and TDw Collier re same and send to counsel for comment.
05-May-2025	Moffett, Paul	0.2	EMs t/f Colliers and Counsel re Cooperation Agreement.
06-May-2025	Moffatt, David	0.2	Prep and make payment to Insolvency Insider (2341018 Ontario Inc.)
06-May-2025	Moffatt, David	0.2	Prep and make payment to All Nova Scotia/New Brunswick
06-May-2025	Moffatt, David	0.2	Prep and make payment to Tims Paving
06-May-2025	Moffett, Paul	0.7	Receive, approve and send for payment invoices for Insolvency Insider and All Nova Scotia. TDw property mgr re lawn and access. EMs t/f Colliers re tour protocols. TDw mortgage lender for update.
06-May-2025	Powell, Robert	0.1	review and approved expenses for Tim's Paving and Insolvency Insider; sign cheques

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
07-May-2025	Moffett, Paul	0.2	EMs t/f OSB re s245 notice.
07-May-2025	Moffett, Paul	0.3	TDw Colliers re tour protocols and interest in property to date.
09-May-2025	Moffatt, David	0.2	Submit SAboulaziz POC to WEPP and provide ex-employee copy of submission.
12-May-2025	Moffett, Paul	0.4	Forward inquiries re interest in hotel to Colliers. Review, approved and send for payment invoice for inspections. EMs from Meridian OneCap re boilers. TDw RWP re update on interest in hotel. EMt Rogers re internet service account.
14-May-2025	Moffett, Paul	1.0	EMs t/f colliers re return of deposits. Draft and send wiring instructions. TDw property mgr re viewings and payment for same and lawncare. EMt Colliers re showings and who should be present. TDw Colliers re tour protocol and re offers to date and re wiring and return of deposits.
14-May-2025	Powell, Robert	0.1	em f/t PDM re Colliers and viewing of hotel
15-May-2025	Moffett, Paul	0.4	TDw Counsel re closing date for SISP and return of deposits and re information request to Youm. TDw TEhrhardt re Information from JYoum.
19-May-2025	Moffatt, David	0.2	Prep and make payment to BP Inspection Services Inc.
22-May-2025	Moffett, Paul	0.1	Receive and cursory review of Colliers update.
23-May-2025	Moffett, Paul	1.9	EMs re showings. Review 2nd marketing update. Review and approve proposed call for offers. Respond to Colliers re same. File admin. TDw counsel and further EMs t/f Colliers re bids and renegotiation of offers after the bid date. Lengthy call with Rogers to finally cancel all Wifi and cable. Receive, review, and send for payment invoice for City of Edmundston. EMt Prop Mgr re picking up Rogers equipment.
26-May-2025	Moffett, Paul	0.5	EMs t/f prop. mgr re rogers cable pick up and lawn care. Save samples of SISP advertising. TDw GLong (interested party) and arrangements with Colliers re immediate viewing.
27-May-2025	Moffatt, David	0.2	Prep and make payment to City of Edmundston
28-May-2025	Moffett, Paul	0.2	EMs t/f Colliers re viewings and coordinations for June 3rd.
29-May-2025	Moffatt, David	0.2	LF WEPPA re MKim's application; emt MKim re the same.
30-May-2025	Moffatt, David	0.2	Rec LF WEPP re approval of employee claim, update spreadsheet and save letter.
30-May-2025	Moffett, Paul	0.2	TDw SPGodbout (City Hotels) re update on sales process.
02-Jun-2025	Moffatt, David	0.1	emf MKim re denied WEPP application, responded.
02-Jun-2025	Moffett, Paul	0.2	EMt Insolvency Insider. EMs t/f Colliers re upcoming visits and measuring building.
05-Jun-2025	Moffett, Paul	0.2	EMs t/f Colliers re arrangements for viewings of hotel.
09-Jun-2025	Moffett, Paul	0.1	EM exchange with Colliers re weekend visit and likelihood of offer.

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
10-Jun-2025	Moffett, Paul	1.5	EMs t/f 1st mortgagee and Colliers re summary of offers after upcoming offer deadline. TDw RWP re 2nd report to court, HST claims. Begin early draft of 2nd report to court. EMs t/f and TDw Colliers re interest and expected offers as well as last minute showings of property.
10-Jun-2025	Powell, Robert	0.3	dw PDM re tender, court report contents, HST claim and filing o/s rtns, matters to review with CRA, other priority claims
11-Jun-2025	Moffett, Paul	2.1	Call from interested party and arrangements for showing and put in contact with Colliers. Review, approve, and send for payment invoice for property manager. EMf Colliers and forward to counsel for response. VMt CRA and begin estimated calculations of HST owing for period April 1, 2024 to Feb 21, 2025. Draft and send separate EMs to major suppliers who would have charge HST. TDw counsel re zoning information included in VDR, upcoming closing and eventual report to court, secured creditors, adjustments on closing and inquiries from potential bidders re same.
12-Jun-2025	Moffatt, David	0.2	Prep and make payment to BP Inspection Services Inc.
12-Jun-2025	Moffett, Paul	1.1	Arrangements to allocate deposit for offer. Receive and review offer received. VMt CRA. Continued work on Receiver's second report.
12-Jun-2025	Powell, Robert	0.1	review and approve BP inspection services invoice; sign chq
13-Jun-2025	Moffatt, David	0.2	tdw BPolluck of Inves to confirm wire instructions; informed PDM of the same.
13-Jun-2025	Moffett, Paul	4.3	TDs and VMs with multiple CRA agents re HST and Payroll claims, trust examinations; further calculations to estimate HST; TDw RWP re same; TDw National Bank re incoming wire and verifications for same; Numerous TDs with Colliers and Counsel regarding permitted encumbrances, third party property (propane and residential hot water tanks), as well as expected bids; EMs t/f TD bank re update on offers and SISP; Arrangements for payment of insurance x 2; EMt City of Edmundston re payout; receive and review claim for same and forward to counsel; Request and review Property tax claim and forward to counsel; initial calculations on secured distributions; TDw Superior Propane re invoices and HST and re contract for tank rental; Numerous TDs and EMs t/f Colliers and Counsel re received offers and bid matrix; EMs to 2 major secured lenders with non-descript summary of offers and request payouts; Review of deposits received; Further drafting of Second Report to Court; Research and draft Order Schedule relating to expected unsecured claims process.
13-Jun-2025	Powell, Robert	0.1	review and approve insurance payment reimbursement to PAL; sign chq
13-Jun-2025	Powell, Robert	0.1	dw PDM re HST and his dw CRA
16-Jun-2025	Moffatt, David	0.1	Mailed LT CRA for PDM.
16-Jun-2025	Moffatt, David	0.2	Prep and make payment to PAL - reimburse trustee for insurance premiums.

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
16-Jun-2025	Moffett, Paul	3.5	Multiple TDs with CRA re HST audit and return and re Payroll claim. Make arrangements for CRA to pick up information at our offices relating to payroll claim. Review all information necessary to prepare HST return and file same and Fax to CRA Shawinigan. Banking arrangements re deposits received. Detailed review of all offers received. TDw Colliers re results of bids. TDw RWP re eventual disclosure of bids and bidders and admin charge and need for increase.
16-Jun-2025	Powell, Robert	0.6	dw PDM re tenders received; court report and requests
16-Jun-2025	Powell, Robert	0.8	review tender deposits in RBC and match to tender docs; post all deposits in QB and approve disbursement from PAL to trust account for total; review bank charges and process reimbursement
17-Jun-2025	Moffatt, David	0.4	Prep and make payment to PAL to reimburse bank charges; Prep and make payment from PAL to estate to transfer tender deposits to VB trust account.
17-Jun-2025	Moffett, Paul	4.0	Continued drafting of Receiver's 2nd report, specifically but not limited to outlining distribution the unsecured claims process and distribution to secured creditors, claims process order. Multiple EM exchanges with colliers re updated marketing report and summary of SISP. EMs t/f Counsel. TDw RWP re claims process. TDw mortgage lender re timing and payout of mortgage. EMf mortgage lender with legal bills. EMs to secured lender asking for security documents. Receive and review payout statement for mortgage lender.
18-Jun-2025	Moffett, Paul	3.6	File Admin. Lengthy TDw Counsel re Offer/Schedule A, Lis Pendens, Admin Charge, Claims Process, Legal opinion on security, 2nd report. EMf SSParks. Review and recalculate balance owing by mortgage lender. EMt SSParks re same. Continue drafting 2nd report, specifically but not limited to drafting Notice to creditors for Claims process, Notice of Revision or Disallowance, Notice of Dispute, Proof claim.
19-Jun-2025	Moffatt, David	0.2	emf VB re large deposit and requirement for supporting documentation; quick tdw PDM to find deposit proof; compile deposit proof and send to VB.
19-Jun-2025	Moffett, Paul	3.0	Initial drafts of all acceptance and rejection letters. Request mailing addresses from Colliers for some bidders. Review documentation received from TEhrhardt re Notice of Action and Statement of Claim re alleged 2nd mortgage from JYSK and EMt counsel and RWP re same. Follow up call with RWP. TDw Counsel re LF JYSK and re possibility of mortgage. Follow up TDw with Counsel. Receive and review CEBA loan documents from TD counsel. Send correspondence to Counsel re accepting HC. VMt CRA re request of T2's. Send draft Claims Process Order.
19-Jun-2025	Powell, Robert	0.4	dw PDM re Lis Pendens / JYSK mortgage, \$100K real estate deposit, \$150K JYSK payment, claims process, court report
20-Jun-2025	Moffett, Paul	4.0	Continued drafting of Second report specifically but limited to, confidential supplement and sealing order, SRD section, SISP update, secured claims, misc matters, updates to claims process to account for possibility of not paying unsecured claims in full. TDs LChung. TDw RWP re confidential supplement, and banking charges.

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
23-Jun-2025	Moffett, Paul	3.5	Finalize 1st draft of 2nd report, assemble exhibits for same. Send to RWP for review. Review draft of AVO and provide comment to counsel on same. TDw Colliers re timing of accepting and rejecting of offers. TDw late interested party and EM to counsel re same.
24-Jun-2025	Moffett, Paul	1.3	Review, approve, send for payment invoice for City of Edmundston. Receive correspondence from CRA regarding payroll claim and update second report accordingly. TDw PPomeroy re bank charges. File Admin & Journal Entries re same. TDs and texts regarding false fire alarm and arrangements for dehumidifiers. EMs between counsel re accepting offer and insertion of scheduled A into APS. VMf CRA re HST claim.
25-Jun-2025	Moffett, Paul	2.2	Multiple EMs t/f and TDs with Counsel re AVO to be included with APS with purchaser and re supposed 2nd mortgage to JYSK and re dates for closing and 10 day appear period. Lengthy TDw RWP to review draft of 2nd report. TDw 1st mortgagee re supposed 2nd mortgage and re changes to receiver's certificates.
25-Jun-2025	Powell, Robert	2.3	review 2nd report draft and dw PDM re same; analysis of secured and priority claims; consider claims process; review Youm mortgage docs
26-Jun-2025	Moffett, Paul	1.6	Travel to and attend Counsel's office to execute APS with purchaser. DW and EMs with Counsel re legal opinion, language in AVO, and re adjustments on property taxes on closing. EMf SSparks requesting replacement Receiver's Certificates. Draft release of original and EMt SSparks with drafts of replacement certificates. Receipt of executed APS and TDw Counsel re same and next steps re rejecting remaining offers.
27-Jun-2025	Moffett, Paul	6.5	Finalize and EM rejection letters to unsuccessful bidders. Prepare payments for all and send for signature. Arrangements for couriers for rejection letters. Revisit calculations on 1st mortgage payout calculations. TDs with and EMs t/f with mortgage lender re mortgage payout balance and receivers certificates. TDs with rejected bidders re no provision of further information and to verify mailing addresses. Lengthy TDw RWP re second report and revised claims process to now include equity claims. Modify, amend, and finalize 2nd draft of 2nd report and send to RWP for comment.
27-Jun-2025	Powell, Robert	1.7	dw PDM re claims process; review and process all refunds of deposits of unsuccessful bidders; review and approve City of Edmundston invoice and sign cheque
27-Jun-2025	Rodgers, Angela	0.8	Print rejection letters; compile cheques/letters; create courier packages to send
29-Jun-2025	Powell, Robert	6.5	review and amend draft Confidential Supplement, estimated final SRD and Second Report
30-Jun-2025	Moffett, Paul	2.5	Review directors resolution and APS relating to original purchase in 2016 by JYSK and assignment to debtor. EMs t/f SSparks and RWP re payout figures for City Hotels NB and verification of some protective disbursements. Update payout figure and EM to SSparks. Review Draft security opinion and provide comment to Counsel. Receive final security opinion and implement into 2nd report. Implement suggested changes from RWP for 2nd report. Assemble full package for 2nd report and send to Counsel for review.

Details of Professional Time
686949 N.B. Ltd. - Cout Appointed Receivership

<i>Date</i>	<i>Staff</i>	<i>Hrs.</i>	<i>Note</i>
30-Jun-2025	Powell, Robert	<u>0.2</u> <u>118.5</u>	review City Hotel's mortgage payout

EXHIBIT “X”

to the Receiver’s Second Report to Court
in the matter of the Court Appointed Receivership of
686949 N.B. Ltd.



Brenton Kean
75 Prince William Street. 4th floor
Saint John, N.B E2L2B2
Phone: (506) 633-2556
Fax: (506) 633-5902

Powell Associates Ltd.
Suite 302 - 133 Prince William Street
Saint John, NB E2L 2B4

July 2, 2025

File #: 19351009

Invoice #: -draft-

RE: Receivership of 686949 N.B. Ltd.

TO PROFESSIONAL SERVICES RENDERED with respect to the above matter during the period from April 15, 2025 to July 2, 2025:

FEES

2025-04-15	Complete draft APS; email to P. Moffett	WCK	0.90	328.50
2025-04-15	Review materials for hearing	WCK	0.60	219.00
2025-04-16	Prepare for and attend motion; email to counsel	WCK	1.40	511.00
2025-04-17	Emails re order	WCK	0.30	109.50
2025-04-18	Review listing agreement; emails with Paul M.	WCK	0.40	146.00
2025-04-22	Revise Listing Agreement; emails with Paul M.	WCK	0.60	219.00
2025-04-23	Telephone call from P. Moffett; emails re Listing Agreement	WCK	0.30	109.50
2025-04-25	Revise NDA; emails and call with Paul M.	WCK	0.60	219.00
2025-04-28	Emails with P. Moffett; email to Meridian	WCK	0.40	146.00
2025-04-30	Review emails, lease and related documents re boilers; review sales information; meeting with Paul M.; email to Meridian re boilers	WCK	1.60	584.00
2025-05-01	Emails with P. Moffett and Joanne at Meridian and Colliers	WCK	0.50	182.50
2025-05-05	Review Conf. Agmt; emails with Paul M. and Colliers; email with Colliers	WCK	0.70	255.50
2025-05-23	Emails re sales process; telephone call from Paul M.	WCK	0.40	146.00
2025-06-11	Emails re APS and zoning; telephone call from Receiver	WCK	0.80	292.00
2025-06-13	Calls and emails with Paul M. and Fraser M. re bids and outstanding issues	WCK	1.20	438.00
2025-06-17	Emails with Paul M.; review bid summary	WCK	0.60	219.00
2025-06-18	Call with Paul M. to discuss various matters	WCK	0.60	219.00
2025-06-18	Emails with and call with Ted E.	WCK	0.50	182.50
2025-06-19	Calls with Paul M. to discuss various issues; emails and telephone call to Ted E.	WCK	1.60	584.00
2025-06-23	Draft sales approval order; email to Paul M.	WCK	1.30	474.50
2025-06-24	Revise Sale Approval Order; email to HCF Hospitality; email to Romain V.; telephone call to Paul M.	WCK	1.00	365.00

2025-06-25	Revise draft order; telephone call to Paul M. x 3; several emails with counsel and Receiver	WCK	0.80	292.00
2025-06-26	Meet P. Muffett; telephone call to Julia P. re draft order; email APS; telephone call to Steve F.; several emails with Paul M.	WCK	1.30	474.50
2025-06-27	Telephone call from J. Bosse; emails from Paul M.; emails to Paul M.	WCK	0.60	219.00
2025-06-30	Email to S. Follett; Review security and draft security opinion; Emails to P. Moffett and SP Godbout; Finalize security opinion; Emails re 2nd report	WCK	1.80	657.00
Total FEES			20.80	\$7,592.00

FEE EARNER SUMMARY**Fee Earner**

WCK William C. Kean, K.C.

Hours

20.80

Amount

7,592.00

DISBURSEMENTS

Copying	51.10
Total DISBURSEMENTS	\$51.10

PAYMENTS

Date	Description	Amount
2025-04-29	INV 26827	8,968.36
Total PAYMENTS		\$8,968.36

New Charges	\$7,643.10
HST	\$1,146.47
Total	\$8,789.57

Previous Balance	\$8,968.36
Payments	-\$8,968.36
Balance Forward	\$0.00

Balance Due	\$8,789.57
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HST on Fees	\$1,138.80
HST on Disbursements	\$7.67
HST (Registration #: 838291730)	

This invoice is due upon receipt. Interest will be charged on all accounts over 30 days at the rate of 1.5% per month, 18% per annum.