

District: Ontario
Division No. 09-Toronto
Court No. 31-2675583
Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED**

**MOTION RECORD
(returnable October 26, 2020)**

October 21, 2020

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Lawyers for Conforti Holdings Limited

INDEX

INDEX

TAB

- 1 Notice of Motion
- 2 Affidavit of Antonio Conforti sworn October 21, 2020
- A Exhibit "A" – Corporate Profile Report for Conforti Holdings Limited
- B Exhibit "B" – Assignment Agreement
- C Exhibit "C" – Uncertified PPSA search results for Conforti Holdings Limited
- D Exhibit "D" – Province of Ontario News Release, "Ontario Orders the Mandatory Closure of All Non-Essential Workplaces to Fight Spread of COVID-19", dated March 23, 2020
- E Exhibit "E" – Province of Ontario News Release, "Ontario Moving Toronto and Peel Region into Stage 2" dated June 22, 2020
- F Exhibit "F" – September 21, 2020 Letter from Cadillac Fairview
- G Exhibit "G" – NOI dated September 28, 2020
- H Exhibit "H" - Government of Canada News Release, "Government announces new, targeted support to help businesses through pandemic", dated October 9, 2020
- I Exhibit "I" - DIP Term Sheet
- 3 Proposed Order

TAB 1

District: Ontario
Division No. 09-Toronto
Court No. 31-2675583
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED**

**NOTICE OF MOTION
(returnable October 26, 2020)**

Conforti Holdings Limited (“**Conforti**”) will make a motion to the court on October 26, 2020 at 10:00 a.m. by videoconference due to the COVID-19 pandemic.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

- (a) an order:
 - (i) if necessary, abridging the time for service and filing of this notice of motion and the motion record and dispensing with further service thereof;
 - (ii) approving a debtor-in-possession (“**DIP**”) term sheet (the “**DIP Term Sheet**”) between Conforti and Beauty Experts Inc., dated October 20, 2020 (the “**DIP Lender**”), a DIP loan (the “**DIP Loan**”) and the authority to borrow up to \$500,000;
 - (iii) granting the following charges over Conforti’s property:
 - (A) a charge in favour of the DIP Lender to a maximum amount of \$500,000;
 - (B) a charge in favour of Crowe Soberman Inc. in its capacity as proposal trustee in these proceedings (the “**Proposal Trustee**”), counsel to the Proposal Trustee, and counsel to Conforti to secure

payment of their professional fees and disbursements to a maximum amount of \$250,000 (the “**Administration Charge**”); and

(C) a charge in favour of the directors and officers of Conforti to a maximum amount of \$100,000 (the “**Directors Charge**”);

(iv) approving the first report of the Proposal Trustee, to be filed (the “**First Report**”), and the conduct and activities of the Proposal Trustee as described therein;

(v) extending the time to file a proposal from October 28, 2020 to December 14, 2020; and

(b) such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE

(c) Conforti filed a notice of intention to make a proposal, dated September 28, 2020 (the “**NOI**”) under which the Proposal Trustee was appointed.

(d) Conforti is an Ontario corporation that, as at the date of the NOI filing, operated 52 beauty salons under 10 different trade names in Southern Ontario. All but one of Conforti’s beauty salons are located inside shopping malls of varying sizes including ones such as the Eaton Centre in Toronto.

(e) Conforti currently has more than 600 employees and 400 independent contractors.

(f) The circumstances leading to the filing of the NOI are set out in the affidavit of Antonio Conforti, sworn October 21, 2020 (the “**Conforti Affidavit**”).

(g) As described in the Conforti Affidavit, Conforti initiated NOI proceedings on account of the financial pressure arising from the COVID-19 pandemic and demands from one of its landlords. The COVID-19 pandemic, including the

closure of all shopping malls for approximately three months and the subsequent reduced foot traffic in the shopping malls, has negatively impacted Conforti's liquidity and its ability to fund business operations.

- (h) Conforti's management is of the view that a restructuring of Conforti's business operations through the proposal process is necessary to maximize repayment of Conforti's obligations to its stakeholders.

DIP Loan and Charge

- (i) Conforti needs financing to fund operations and restructuring costs during the proposal proceedings.
- (j) The DIP Lender, an entity related to Conforti, is prepared to provide up to \$500,000 in funding to assist Conforti with meeting its operational expenses, the proposal proceedings and its restructuring.
- (k) The proposed DIP Loan is conditional upon court approval of the DIP Loan and the granting of the DIP Charge as a first-ranking charge on Conforti's property.

Priority Charges

- (l) Conforti is seeking the Administration Charge to secure the fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and counsel to Conforti, in each case incurred in connection with services rendered to Conforti before and after the commencement of these proposal proceedings.
- (m) Similarly, Conforti will require the participation of its directors and officers during these proposal proceedings and proposes to indemnify its directors and officers and to secure such indemnity by way of the Directors' Charge.

- (n) The granting of the Administration Charge and the Directors' Charge is appropriate in the circumstances and will facilitate the active involvement of the beneficiaries of the charges during the proposal proceedings.
- (o) The proposed Administration Charge and Directors' Charge will be a second and third ranking charge, respectively, on Conforti's property.

Extension of Time to File a Proposal

- (p) Conforti is requesting an extension of the stay of proceedings and the time by which to file a proposal from October 28, 2020 to December 14, 2020, to allow Conforti to formulate a repayment proposal for its creditors.
- (q) Conforti's cash flow projections indicate that the company has sufficient cash flow to meet its financial obligations during the proposed extension period.
- (r) Conforti has acted, and continues to act, in good faith and with due diligence.
- (s) Conforti has engaged its landlords in discussions/negotiations for lease payments going forward. Conforti has a number of different landlords with several landlords having multiple shopping malls where Conforti beauty salons operate and additional time is required to complete these negotiations.
- (t) In addition, on or about October 9, 2020, the Government of Canada announced a revamped rent subsidy for commercial tenants, known as the "Canada Emergency Rent Subsidy" ("CERS"). This new program will offer up to a 65% rent subsidy for commercial tenants for the period of September 27, 2020 to June 2021 and will provide assistance to tenants who have experienced a loss in business of 70% or greater. There will be a sliding scale of support for businesses experiencing less than a 70% decrease in business. Conforti did not

qualify for any rent relief under the previous Federal rent relief program that expired in September but may well qualify for such relief under the new program.

- (u) The Federal government has yet to release full details of the new CERS program but will likely do so in the coming weeks and this can then be factored into Conforti's restructuring plans.
- (v) Conforti will likely be able to make a viable proposal to its creditors if the requested extension is granted.
- (w) No creditor will be materially prejudiced if the extension is granted.
- (x) The Proposal Trustee supports the proposed extension of the time to file a proposal.
- (y) The provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985., c. B-3, as amended, and the statutory, inherent and equitable jurisdiction of this Court;
- (z) Rules 1.04, 2.01, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43, as amended; and
- (aa) Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion

- (bb) The First Report, together with the appendices thereto;
- (cc) The Conforti Affidavit, together with the exhibits thereto; and

(dd) such further and other evidence as the lawyers may advise and this Honourable Court may permit.

October 21, 2020

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Lawyers for Conforti Holdings Limited

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED

Court File Nos.: Division No. 09-Toronto
Court No. 31-2675583 and Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(RETURNABLE OCTOBER 26, 2020)**

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Lawyers for Conforti Holdings Limited

TAB 2

District: Ontario
Division No. 09-Toronto
Court No. 31-2675583
Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED**

**AFFIDAVIT OF ANTONIO CONFORTI
(sworn October 21, 2020)**

I, Antonio Conforti, of the City of Richmond Hill, Province of Ontario, MAKE OATH AND SAY:

1. I am the President and a director of Conforti Holdings Limited (“**Conforti**”). As such, I have knowledge of the matters to which I hereinafter depose, which knowledge is personal to me, obtained from a review of the documents referred to or, where indicated, I am advised by others in which case I believe such information to be true.

A. Overview

2. The affidavit is made in the context of Conforti’s recent filing of a notice of intention to make a proposal (the “**Proposal Proceedings**”) under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), and in support of a motion by Conforti for an order:

- a. approving a debtor-in-possession (“**DIP**”) term sheet between Conforti and myself (in such capacity, the “**DIP Lender**”), dated October 20, 2020 (the “**DIP Term Sheet**”), a DIP loan (the “**DIP Loan**”) and the authority to borrow up to \$500,000;
- b. granting the following charges over Conforti’s property:

- i. a charge to a maximum amount of \$500,000 in favour of the DIP Lender;
- ii. a charge in favour of Crowe Soberman Inc., in its capacity as proposal trustee in these proceedings (the "**Proposal Trustee**"), counsel to the Proposal Trustee, and counsel to Conforti to secure payment of their professional fees and disbursements to a maximum amount of \$250,000 (the "**Administration Charge**"); and
- iii. a charge in favour of the directors and officers of Conforti to a maximum amount of \$100,000 (the "**Director's Charge**");

- c. approving the first report of the Proposal Trustee, to be filed (the "**First Report**"), and the conduct and activities of the Proposal Trustee as described therein; and
- d. extending the time to file a proposal from October 28, 2020 to December 14, 2020.

3. The balance of this affidavit will describe the nature of Conforti's business and events leading up to the filing of the notice of intention to make a proposal ("**NOI**") on September 28, 2020, and the appointment of the Proposal Trustee.

B. Background: Conforti's Business and Operations

4. Conforti is a privately-held corporation that, as at the date of the NOI filing, operated 52 beauty salons under 10 different trade names in Southern Ontario. Attached as **Exhibit "A"** is a copy of the corporate profile report for Conforti.
5. Conforti has been a family owned and operated business for more than 44 years. I started the business in 1977.
6. Conforti's salons, save and except for a location in Collingwood, Ontario, are located in rental units in shopping malls and commercial office buildings across Southern Ontario. The Collingwood property is located in an outdoor shopping plaza.

7. Conforti owns and operates its head office from a 11,000 square foot commercial property municipally known as 7755 Warden Avenue, Unit 2, Markham, Ontario (the “**Head Office**”).

8. Conforti currently has more than 600 employees and 400 independent contractors working at the Head Office and salons as stylists, estheticians, and front desk personnel.

C. Senior Secured Creditor

9. Conforti’s predecessor Salon Distribution Inc., as borrower, is party to a loan facility letter dated May 6, 2015, and made between Royal Bank of Canada (“**RBC**”), as lender, and myself as guarantor (as amended, the “**Credit Agreement**”).

10. On October 15, 2020, I took an assignment of the credit facilities and security held by RBC in connection with the Credit Agreement, pursuant to an Assignment of Debt and Security Agreement, dated with effect as of October 15, 2020, between Conforti, RBC, as assignor, and myself, as assignee (the “**Assignment Agreement**”). A copy of the Assignment Agreement is attached as **Exhibit “B”**.

11. Conforti’s debt obligations and liabilities pursuant to the Assignment Agreement are fully secured by:

- a. a collateral charge with a principal amount of up to \$2.5 million on the Head Office; and
- b. personal property security over all of the assets of Conforti.

12. As of October 15, 2020, the total indebtedness outstanding under the Credit Agreement was approximately \$1,931,333.68.

D. Conforti's Other Creditors

13. In addition to the assigned security interest, there are four additional registrations in respect of Conforti under the *Personal Property Security Act*, R.R.O. 1990, c. P. 10, as amended (“PPSA”). RBC has a registration against Conforti as security for certain obligations of Conforti under the Assignment Agreement.

14. The Toronto-Dominion Bank (“TD”) has also registered a security interest against Conforti under the PPSA for a letter of credit extended by TD to Conforti in connection with an agreement between Conforti and an American company for the acquisition of salon supplies.

15. Additionally, there are two registrations in connection with financing for vehicles. These vehicles are used by two of Conforti's district managers and payments for the vehicles are made by the district managers. A copy of the uncertified PPSA search results for Conforti is attached as **Exhibit “C”**.

16. As indicated on Conforti's List of creditors, Conforti's remaining creditors are unsecured and are owed approximately \$5.7 million. Conforti's unsecured creditors include landlords and trade creditors.

E. Deterioration of Conforti's Financial Position

17. As noted above, most of Conforti's salons are located in shopping malls. For the past several years, shopping mall landlords have increased the rent charged to Conforti, while traffic in many of the malls has declined. However, traffic in malls came to a halt on March 24, 2020, when the Province of Ontario shut down all non-essential workplaces, including shopping malls in order to limit the spread of COVID-19. Attached as **Exhibit “D”** is a copy of the Province of Ontario News Release, “Ontario Orders the Mandatory Closure of All Non-Essential Workplaces to Fight Spread of COVID-19”, dated March 23, 2020.

18. Due to the COVID-19 pandemic, shopping malls in Ontario remained closed for nearly three months until June 19, 2020, when most of the Province was allowed to move to "Stage 2" of the Province's re-opening plans. The City of Toronto and Peel Region, where 19 of Conforti's salons are located, did not re-open shopping malls until June 24, 2020. Attached as **Exhibit "E"** is a copy of the Province of Ontario News Release, "Ontario Moving Toronto and Peel Region into Stage 2" dated June 22, 2020.

19. Despite the fact that the salons were closed pursuant to the provincial government's orders to limit the spread of COVID-19, and therefore were not earning any revenue, Conforti's landlords continued to charge the company rent for the closed salons.

20. Although the salons have since re-opened, mall traffic and the salons' revenue have not returned to pre-COVID-19 levels. The salons' revenue has declined significantly. The decline in revenue can be attributed not only to decreased mall traffic, but also the social distancing protocols that Conforti has implemented to comply with public health guidelines.

21. Moreover, the costs of operating the salons have increased. In order to comply with public health guidelines, Conforti has had to purchase both single use personal protective equipment for its employees and independent contractors and single use salon supplies. The company has also had to buy additional cleaning supplies for its salons that are becoming increasingly difficult to source.

F. Decision to File the NOI and the Appointment of the Proposal Trustee

22. Since Conforti's salons were closed as a result of the public health orders in late March 2020, the company has been trying to work with its landlords to reach accommodations of Conforti's rent payments.

23. Despite Conforti's best efforts, on September 21, 2020, one of Conforti's landlords, The Cadillac Fairview Corporation Limited ("Cadillac Fairview"), sent Conforti a notice of default

and demanded that Conforti pay the landlord all outstanding rent by September 28, 2020. If Conforti did not pay all outstanding rent by that date, Cadillac Fairview advised Conforti that it "may, without further notice" to Conforti exercise all of its rights and remedies under the leases, including terminating the same. Attached as **Exhibit "F"** is a copy of the September 21, 2020 letter from Cadillac Fairview.

24. Cadillac Fairview's demand required Conforti to pay \$919,181.84 to Cadillac Fairview by September 28, 2020.

25. So as to avoid the closure of its Cadillac Fairview salon locations, and in recognition of the fact that other similar requests could be made by its other landlords, Conforti requires the stay of proceedings afforded through the Proposal Proceedings to allow Conforti an opportunity to restructure its business operations on a going-concern basis and in a manner that will maximize value for the benefit of Conforti's stakeholders.

26. In the absence of the stay of proceedings, at least 10 of Conforti's 52 salons would have been immediately shutdown, which would adversely affect approximately 195 employees and 130 independent contractors of Conforti.

27. Additionally, if Conforti's business is further impacted or directly threatened by solvency issues, the company could be required to close additional salons thereby terminating employment for its employees and its contracts with independent contractors.

28. In all of the circumstances, Conforti determined that a proposal proceeding is necessary to restructure its underlying business and maximize repayment of Conforti's obligations to its stakeholders.

29. As such, Conforti filed the NOI on September 28, 2020. A copy of the NOI is attached as **Exhibit "G"**.

30. Conforti intends to use the stability provided by the Proposal Proceedings to focus on restructuring its business.

G. Activities Since NOI was Filed

31. Since the NOI was filed on September 28, 2020, Conforti has been working with the Proposal Trustee and its financial advisors to ensure that the company's operations will continue uninterrupted during the Proposal Proceedings. To this end, Conforti provided financial information to the Proposal Trustee to develop the cash flow forecast to December 21, 2020, filed by the Proposal Trustee (the "**Cash Flow Forecast**").

32. I, as Conforti's principal, have also repaid Conforti's primary secured creditor, RBC, in full and taken an assignment of RBC's credit facility and related security.

33. On September 29, 2020, Conforti sent sixteen Notices to Lessor to Disclaim or Resiliate a Lease by Commercial Tenant to its landlords. An additional disclaimer was sent to one of the company's landlords on October 8, 2020.

34. Conforti has also engaged in discussions/negotiations with its landlords for lease payments over the next 6 months. Conforti has a number of different landlords with several landlords having multiple shopping malls where Conforti's salons operate and the negotiations are at varying stages. Conforti requires additional time to complete these negotiations.

35. In addition, on or about October 9, 2020, the Government of Canada announced a revamped rent subsidy for commercial tenants, known as the "Canada Emergency Rent Subsidy" ("**CERS**"). This new program will offer up to a 65% rent subsidy for commercial tenants for the period of September 27, 2020 to June 2021 and will provide assistance to tenants who have experienced a loss in business of 70% or greater. There will be a sliding scale of support for businesses experiencing less than a 70% decrease in business. Attached as **Exhibit "H"** is

a copy of the Government of Canada News Release, "Government announces new, targeted support to help businesses through pandemic", dated October 9, 2020.

36. Conforti did not qualify for any rent relief under the previous Federal rent relief program that expired in September because Conforti's gross sales were too high, but may well qualify for such relief under the new program. Unlike the previous program, CERS does not require landlords to apply for the assistance and also results in the subsidies being paid directly to the tenant business.

H. DIP Loan

37. As demonstrated by the Cash Flow Forecast, Conforti requires additional financing to fund operations during the Proposal Proceedings.

38. To facilitate these funding requirements I, in my capacity as DIP Lender, have agreed to advance \$500,000 to Conforti by way of the DIP Loan, pursuant to the terms of the DIP Term Sheet. Attached as **Exhibit "I"** is a copy of the DIP Term Sheet.

39. Below is a summary of the material terms of the DIP Loan:

- a. **Amount:** \$500,000;
- b. **Purpose:** to fund operating costs in the ordinary course of business in accordance with the Cash Flow Forecast and restructuring costs;
- c. **Interest:** 10% per annum;
- d. **Maturity Date:** the earlier of (i) March 28, 2020 (or such later date as may be agreed to in writing by the DIP Lender in its sole discretion); (ii) the implementation of a proposal within the Proposal Proceedings that has been approved by the Borrower's creditors, the court and the DIP Lender; (iii) the date the Initial Order (as defined in the DIP Term Sheet) expires without being extended, supplemented, or restated, or on which the Proposal Proceedings are terminated or dismissed; and (iv) the occurrence of an Event of Default (as defined in the DIP Term Sheet);
- e. **Conditions:** the DIP Lender's obligation to make any advance under the DIP Loan is conditional on, among other things, the granting of the Initial Order which order approves the DIP Loan, the DIP Lender's Charge, the Administration Charge and the Director's Charge (collectively, the "**Charges**");

40. The Proposal Trustee has reviewed the DIP Term Sheet and I am advised by the Proposal Trustee that it approves of the same.

41. The proposed DIP Loan will assist Conforti in satisfying its operating expenses and provide sufficient cash flow to finance the Proposal Proceedings. The DIP Loan will also enhance Conforti's ability to make a viable proposal to its creditors because it will be used by Conforti to fund operations and thereby generate cash flow to fund any proposal formulated by the company.

42. It is contemplated that the DIP Loan Charge will be a first-ranking charge on all of Conforti's property. This is a condition of the DIP Term Sheet.

I. Administration Charge

43. As part of these proceedings, the Proposal Trustee, counsel for the Proposal Trustee, and counsel for Conforti (collectively, the "**Professional Group**"), are seeking an administrative charge in the maximum aggregate amount of \$250,000 against all of Conforti's assets.

44. The Professional Group is requesting that the Administration Charge rank below the DIP Loan Charge, but prior to the interests of all other secured and unsecured creditors of Conforti.

45. I believe that the Administration Charge is essential to a successful restructuring.

46. It is unlikely that the Professional Group will continue to participate in the Proposal Proceedings unless their reasonable fees and disbursements are secured by way of the proposed Administration Charge.

47. The quantum of the proposed Administration Charge is reasonable given the nature and scope of the services to be provided, the expected duration of the Proposal Proceedings, and the uncertainty of Conforti's ability to fund the professional fees from free cash flow.

J. Directors Charge

48. It is contemplated that Conforti's directors and officers would be granted a priority Court-ordered directors' charge on Conforti's property in priority to all other charges other than the DIP Lender's Charge and the Administration Charge, up to a maximum amount of \$100,000.

49. The Directors' Charge is intended to address potential claims that may be brought against directors and officers.

50. The directors and officers of Conforti do not have the benefit of directors' and officers' liability insurance coverage.

51. The Directors' Charge is crucial to the continued involvement of the officers and directors during the Proposal Proceedings to provide them with certainty regarding their personal liability.

52. The directors and officers have skills, knowledge and expertise as well as established relationships with various stakeholders that are critical to a successful restructuring.

53. The quantum of the Directors' Charge was developed with the assistance and support of the Proposal Trustee.

54. I am advised by the Proposal Trustee and do verily believe that the Proposal Trustee is supportive of the granting of the Directors' Charge.

K. Proposal Period Extension

55. Absent an extension of time, Conforti will be required to file a proposal to creditors by October 28, 2020.

56. Considering the very recent NOI filing, and Conforti's need to develop a viable proposal, I believe that an extension of time within which to file a proposal is appropriate and would be put to good use.

57. The proposed extension will provide the time required to begin to formulate a repayment proposal for its creditors. I do not believe that any creditor would be materially prejudiced if the extension was granted.

58. Accordingly, Conforti seeks an extension of the stay of proceedings and the time to file a proposal from October 28, 2020 to December 14, 2020.

59. The Cash Flow Forecast was prepared by Conforti with the assistance of the Proposal Trustee for the period ending December 21, 2020. The Cash Flow Forecast has been discussed at length by and between the Proposal Trustee and Conforti's management.

60. Based on these discussions, Conforti's management believes the projected cash flow will be sufficient for it to continue to operate during the proposed extension period including funding its operations and paying its employees and independent contractors in the ordinary course.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on October 21, 2020.

DocuSigned by:

A927328446B742A...

A Commissioner for taking Affidavits (or as may be)

DocuSigned by:

13142EBF40474A5
Antonio Conforti

Note: This affidavit was commissioned via simultaneous video-conference in accordance with the *Commissioners for taking Affidavits Act*, R.S.O. 1990, CHAPTER C.17, and the Law Society of Ontario: COVID-19 Response Statement interpretation of that Act, under which (i) the identity of the deponent was confirmed from government issued identification, (ii) the commissioner administered the oath or affirmation, (iii) the deponent affixed their electronic signature to the affidavit and transmitted the full electronic affidavit, as sworn or affirmed, including exhibits to the commissioner, (iv) the deponent confirmed their electronic signature to the commissioner, (v) the commissioner affixed their electronic signature to the affidavit including exhibits.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED

Court File Nos.: Division No. 09-Toronto
Court No. 31-2675583 and Estate No. 31-2675583

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

AFFIDAVIT OF ANTONIO CONFORTI
(sworn October 21, 2020)

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Lawyers for Conforti Holdings Limited

This is **Exhibit “A”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

A handwritten signature in black ink, appearing to read "mfar".

A0270204400D742A...

A Commissioner, etc.

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Amalgamation Date		
1933265	CONFORTI HOLDINGS LIMITED		2015/04/01	
		Jurisdiction	ONTARIO	
Corporation Type	Corporation Status	Former Jurisdiction		
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE		
Registered Office Address		Date Amalgamated	Amalgamation Ind.	
7755 WARDEN AVE Suite # UNIT 2 MARKHAM ONTARIO CANADA L3R 0N3		NOT APPLICABLE	A	
		New Amal. Number	Notice Date	
		NOT APPLICABLE	NOT APPLICABLE	
		Letter Date		
Mailing Address		NOT APPLICABLE		
NOT AVAILABLE		Revival Date	Continuation Date	
		NOT APPLICABLE	NOT APPLICABLE	
		Transferred Out Date	Cancel/Inactive Date	
		NOT APPLICABLE	NOT APPLICABLE	
		EP Licence Eff.Date	EP Licence Term.Date	
		NOT APPLICABLE	NOT APPLICABLE	
Activity Classification	Number of Directors Minimum	Maximum	Date Commenced in Ontario	Date Ceased in Ontario
NOT AVAILABLE	00002	00002	NOT APPLICABLE	NOT APPLICABLE

Request ID: 025122963
Transaction ID: 76846269
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/10/13
Time Report Produced: 11:02:54
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1933265

CONFORTI HOLDINGS LIMITED

Corporate Name History

CONFORTI HOLDINGS LIMITED

Effective Date

2015/04/01

Current Business Name(s) Exist:

YES

Expired Business Name(s) Exist:

YES - SEARCH REQUIRED FOR DETAILS

Amalgamating Corporations

Corporation Name	Corporate Number
BIVER COIFFURES LTD.	1138511
CANAL COIFFURES LTD.	1138513
CONFORTI HOLDINGS LIMITED	1893643
CREW COIFFURES LTD.	2019716
EAST COIFFURES LTD.	1260097
EXTREME COIFFURES LTD.	1480433
MARKHAM COIFFURES LTD.	1335235
MOTION COIFFURES LTD.	2163004
NATURA IMPORTS LTD.	2021350
PARK COIFFURES LTD.	1401924
PASSION COIFFURES LTD.	2008275
SPA COIFFURES LTD.	1401925
WHITE PINE COIFFURES LTD.	1401923

Request ID: 025122963
Transaction ID: 76846269
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/10/13
Time Report Produced: 11:02:54
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

1933265

CONFORTI HOLDINGS LIMITED

Administrator:

Name (Individual / Corporation)

Address

TONY

7755 WARDEN AVENUE
UNIT 2

CONFORTI

MARKHAM
ONTARIO
CANADA L3R 0N3

Date Began

First Director

2015/04/01

YES

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Administrator:

Name (Individual / Corporation)

Address

SYLVIA

7755 WARDEN AVENUE
UNIT 2

CONFORTI

MARKHAM
ONTARIO
CANADA L3R 0N3

Date Began

First Director

2015/04/01

YES

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

CORPORATION PROFILE REPORT

Ontario Corp Number**Corporation Name**

1933265

CONFORTI HOLDINGS LIMITED

Last Document Recorded**Act/Code Description****Form****Date**

CIA ANNUAL RETURN 2014

1C

2015/04/08 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is **Exhibit “B”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

A blue rectangular placeholder box with rounded corners, used for a digital signature.

A927328446B742A...

A Commissioner, etc.

ASSIGNMENT OF DEBT & SECURITY

THIS ASSIGNMENT AGREEMENT dated with effect as of October 15, 2020.

BETWEEN:

ROYAL BANK OF CANADA
(hereinafter referred to as the “**Assignor**”)

- and -

CONFORTI HOLDINGS LIMITED
(hereinafter referred to as the “**Company**”)

- and -

ANTONIO CONFORTI
(hereinafter referred to as the “**Assignee**”)

RECITALS:

- A. The Assignor is party to a loan facility letter dated May 6, 2015, as amended by a letter amending agreement dated November 18, 2015, which collectively amended and restated without novation the existing agreement dated February 11, 2013 between a predecessor of the Company, Salon Distribution Inc., as borrower, and the Assignor (as amended, restated, supplemented and replaced from time to time, the “**Company Loan Agreement**”) pursuant to which the Assignor provided certain credit facilities to the Company.
- B. To secure the obligations of the Company to the Assignor, including, without limitation, those arising under the Company Loan Agreement, the Company executed and delivered (i) a general security agreement in favour of the Assignor dated August 5, 2015, and (ii) a collateral charge/mortgage in respect of the real property known municipally as 7755 Warden Avenue, Unit 2, Markham, Ontario as legally described in PIN No. 29623-0002 (LT), copies of which are attached hereto as **Schedule “A”** (collectively, the “**Company Security**”).
- C. The Assignee has guaranteed the obligation of the Company to the Assignor.
- D. As at October 15, 2020, the Company is indebted to the Assignor for the sums more particularly described in **Schedule “B”** hereto (the “**Company Indebtedness**”).
- E. The Assignee has agreed to purchase from the Assignor the Company Indebtedness and the Company Security in accordance with the agreement set out below which transactions have been consented to by the Company.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the receipt by the Assignor of the payment of the Company Indebtedness, by no later than 4:00 p.m. Toronto time on October 15, 2020, by wire transfer pursuant to the wire transfer details set out in **Schedule “C” hereto**, and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by each party to the other, the parties hereto agree as follows:

1. The Assignor hereby assigns absolutely and transfers to the Assignee the Company Indebtedness under the Company Loan Agreement and all of the Assignor's right, title and interest in and to the Company Security without any representations or warranties and without any recourse to the Assignor for any matter or thing whatsoever.
2. The Assignee hereby acknowledges and agrees that it has conducted such searches and made such inquiries as it considers necessary prior to the execution hereof, and that it is accepting the Company Indebtedness, and the Company Security on an “as is, where is” basis without recourse to the Assignor and without any other or further representations and warranties of any nature or kind, including, without limitation, the quantum, validity or collectability of the Company Indebtedness, the priority of the Company Security in relation to other creditors of the Company or otherwise, any deficiency in the Company Security or the assets charged thereby, the location of the assets charged by the Company Security, any failure on the part of the Assignor to appropriately draft, have executed, or register or perfect all or any portion of the Company Security, the existence or nature of any claims, charges, liens or interests against the assets charged by the Company Security, or whether any of the assets charged by the Company Security constitute fixtures on the premises where they are or may be situate.
3. The Assignee hereby: (i) undertakes and agrees, at its own expense, to register such documents, file such statements, and give such notices as may be required as a result of this assignment transaction; (ii) acknowledges and agrees that the Assignor will not be attending to any of the same; and (iii) the Assignor consents to such registrations by the Assignee.
4. The Assignee acknowledges that the Assignor has delivered executed and/or registered copies of the Company Security to the Assignee, and that the Assignor is in no other way obligated or required to deliver or provide possession of any other documents, records, books, chattels, property, collateral, chose in action or any other thing of any kind whatsoever relating to the Company Security or the Company Indebtedness.
5. The Assignor and the Assignee hereby agree and undertake, at the expense and reasonable request of the requesting party, to execute such further and other documents or assurances and do such further acts as may be necessary to give effect to the transaction completed hereby.
6. The Company and Assignee acknowledge and consent to: (i) the assignment of the Company Indebtedness and of the Company Security; (ii) the truth of the recitals; (iii) the terms, conditions and covenants contained herein; and, (iv) all credit facilities issued by the Assignor to either the Company or the Assignee shall be cancelled on receipt by the Assignor of the monetary consideration described herein.
7. Any and all guarantees of the Company's obligations which have been given by the

Assignee and/or Sylvia Conforti, as the case may be, to the Assignor prior to the date hereof are hereby cancelled and the Assignor agrees that the same shall not be relied on by the Assignor. Any security given by the Assignee to the Assignor is hereby discharged, and the Assignee agrees to forthwith register discharges of any financing statements registered under the PPSA.

8. The Company covenants and agrees, contemporaneously with the consummation of this Agreement, to:

- (a) provide evidence to the Assignor's satisfaction that the Company has no outstanding liabilities that would rank in priority to any of the Company's obligations to the Assignor (including, without limitation, any and all obligations to Canada Revenue Agency as of the date hereof in respect of employee source deductions and Harmonized Sales Tax, such that, for greater certainty, such evidence provided to the Assignor shall therefore include, without limitation, updated RP, RT and RC reports from Canada Revenue Agency in respect of the Company, to the Assignor's satisfaction; and
- (b) provide the Assignor with \$100,000 to be held by the Assignor as cash collateral (the "**Cash Collateral**") to secure repayment of any Chargebacks (as such term is defined below) and any other amounts owed by the Company to the Assignee under this Agreement, which Cash Collateral shall be held by the Assignor subject to the terms of this Agreement, and the Company shall also deliver to the Assignor on execution of this Agreement a cash collateral agreement in a form satisfactory to the Assignor in its sole discretion.

9. Notwithstanding any other provision of this Agreement, no assignment of the Company Security shall be made under this Agreement of registration no. 20150323 1946 1531 4623 and file number 704464623 under the *Personal Property Security Act* (Ontario), RSO 1990, c P.10, as amended (the "**PPSA**") which registration shall be amended to restrict the collateral classifications to include only Accounts and Other, and to insert a general collateral description which reads "Cash Collateral held by Royal Bank of Canada". The Assignor shall hold the Cash Collateral in a new account in the name of the Company until 60 days after the date hereof, and if any amount of the Cash Collateral remains after such date, the remainder shall be released to the Company in accordance with its instructions and at the Company's sole expense. The account holding the Cash Collateral shall be closed upon release of any remaining Cash Collateral. The Assignor and Assignee acknowledge and agree that amounts owed by the Company to the Assignee shall be subordinated and postponed to amounts owed by the Company to the Assignor.

10. Each of the Company and the Assignee hereby agree to jointly and severally indemnify the Assignor and hold it harmless for:

- (a) any claim or complaint advanced against the Assignor arising from its assignment of the Indebtedness and Company Security to the Assignee; and,
- (b) all fees (including, but not limited to, legal fees), bank account charges, obligations under this Agreement, service charges, account overdrafts and

chargebacks for any cheques, drafts and other payment items dishonoured or otherwise returned to or incurred by the Assignor with respect to the administration and/or closing of the Company's credit facilities and accounts (all such fees, overdrafts, service charges and chargebacks being hereinafter referred to, collectively, as "**Chargebacks**") and promises to pay to the Assignor the amount of any Chargebacks incurred, in full, immediately after the Assignor notifies the Company and the Assignee of the same.

11. Each of the Company and the Assignee, on their own behalf and on behalf of their respective successors, assigns and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges the Assignor and each of its successors and assigns, participants, affiliates, subsidiaries, branches, divisions, predecessors, directors, officers, attorneys, employees, lenders and other representatives and advisors (the Assignor and all such other persons being hereinafter referred to collectively as the "**Releasees**" and individually as a "**Releasee**"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defences, rights of set-off, demands and liabilities whatsoever (individually, a "**Claim**" and collectively, "**Claims**") of every name and nature, known or unknown, suspected or unsuspected, both arising at law and in equity, which any of the Company or the Assignee or any of their successors, assigns or other legal representatives may now own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the date hereof, including, without limitation, for or on account of, or in relation to, or in any way in connection with, any of the Company Loan Agreement, the Company Security and any documents or transactions related thereto.

12. Notwithstanding any other term or condition provided in this Agreement, including, without limitation, any discharge of the Company Security, any release and/or discharge granted by the Assignor is made on the basis that any and all claims that may rank in priority to the amounts owing to the Assignor under the Company Loan Agreement (the "**Potential Prior-Ranking Claims**") have been paid in full. To the extent that the Assignor suffers a loss or is required to pay any amounts in respect of any Potential Prior-Ranking Claims as a result of the failure of any of Company or the Assignee to meet any of their obligations, the Company and the Assignee shall pay the Assignor on demand, jointly and severally, the full amount of any loss or payment required to be made in respect of any Potential Prior-Ranking Claims, and the discharges shall not operate as a release of the Company or the Assignor to such extent.

13. 30 days following the date hereof, all bank accounts held with the Assignor in the name of the Company(including all accounts in the names of its registered business names) other than the account holding the Cash Collateral shall be closed. For greater certainty no deposits will be accepted by the Assignor and no cheques or payment requests presented to the Assignor in the accounts of the Company will be honoured following their closure.

14. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and may not be amended or modified in any respect except by written instrument signed by all of the parties.

15. Each of the Assignee and the Company acknowledges, covenants and agrees that it has been provided with a reasonable opportunity to seek legal advice with respect to the execution and delivery of this Agreement and has either done so or decided to execute and deliver same while waiving the requirement for such legal advice.

16. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, and all of which taken together shall be deemed to constitute one and the same agreement.

17. A facsimile or other electronic transmission received by each party of the other parties signature(s) shall serve to confirm the execution thereof by each such party.

18. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their successors, assigns and agents.

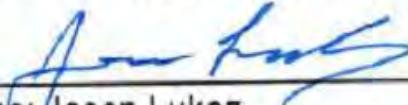
19. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

All of which is agreed and evidenced by the signatures of the parties below or their duly authorized signing officers.

[Signature Page Follows]

IN WITNESS WHEREOF each of the parties hereto have caused this Agreement to be executed under seal by its duly authorized signing officer as of the date indicated on the first page hereof.

ROYAL BANK OF CANADA

Per: 
Name: Jason Lukez
Title: Senior Manager

CONFORTI HOLDINGS LIMITED

By: _____ c/s
Name: _____
Authorized signing officer.

Witness Name: _____

)
)
)
)
)
)

ANTONIO CONFORTI

- 6 -

IN WITNESS WHEREOF each of the parties hereto have caused this Agreement to be executed under seal by its duly authorized signing officer as of the date indicated on the first page hereof.

ROYAL BANK OF CANADA

By: _____

Name: Jason Lukez
Authorized signing officer.

c/s

CONFORTI HOLDINGS LIMITED

By: _____

Name:
Authorized signing officer.

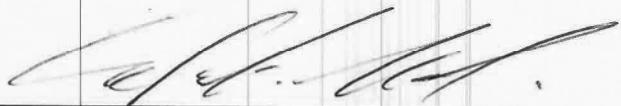
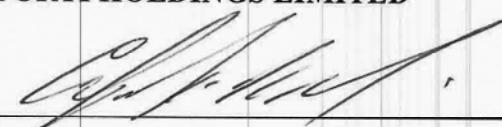
c/s

Witness Name: _____



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)
)
)
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ANTONIO CONFORTI



Schedule A
Company Security

See attached.

SCHEDULE “B”
COMPANY INDEBTEDNESS

Principal and interest (as at October 15, 2020)	\$1,818,422.46
Cash Collateral	\$100,000.00
Legal Fees	\$12,911.22
TOTAL	\$1,931,333.68

**SCHEDULE "C"
WIRE INSTRUCTIONS**

CANADIAN DOLLAR TRUST ACCOUNT

Account Name: Aird & Berlis LLP
181 Bay Street, Suite 1800
Toronto, Ontario M5J 2T9



This is **Exhibit “C”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

A927328446B742A...

A Commissioner, etc.

ServiceOntario

[Main Menu](#) [New Enquiry](#)

Enquiry Result

File Currency: 19OCT 2020



Show All Pages

Note: All pages have been returned.

Type of Search Business Debtor
Search Conducted On CONFORTI HOLDINGS
File Currency 19OCT 2020

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
639464895	01	001			20070927 1949 1531 7597	P PPSA	5

Individual Debtor Date of Birth First Given Name Initial Surname

Business Debtor Business Debtor Name Ontario Corporation Number
SALON DISTRIBUTION INC.
Address City Province Postal Code
36 LIMCOMBE DR THORNHILL ON L3T 2V5

Individual Debtor Date of Birth First Given Name Initial Surname

Business Debtor Business Debtor Name Ontario Corporation Number
Address City Province Postal Code

Secured Party Secured Party / Lien Claimant
ROYAL BANK OF CANADA
Address City Province Postal Code
180 WELLINGTON ST W BSC 3RD FL TORONTO ON M5J 1J1

Collateral Classification Consumer Goods Inventory Equipment Accounts Other Motor Vehicle Included Amount Date of Maturity or No Fixed Maturity Date
X X X X X

Motor Vehicle Description Year Make Model V.I.N.

General Collateral Description

Registering Agent	Registering Agent				
	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address			City	Province
	4126 NORLAND AVENUE		BURNABY	BC	V5G 3S8

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	CONFORTI HOLDINGS				
File Currency	19OCT 2020				
	File Number	Family	of Families	Page	of Pages
	639464895	1	8	2	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20120723 1951 1531 6039	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	639464895		X	B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name		Initial	Surname			
	Business Debtor Name						
	SALON DISTRIBUTION INC.						

Other Change	Other Change				

Reason / Description	Reason / Description				

Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname			
	Business Debtor Name					Ontario Corporation Number		
	Address			City	Province	Postal Code		

Assignor Name	Assignor Name				
Secured Party	Secured party, lien claimant, assignee				
	Address			City	Province

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make			Model		V.I.N.

General Collateral Description	General Collateral Description						

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

CONTINUED

Type of Search Business Debtor

Search Conducted CONFORTI HOLDINGS
On

File Currency 19OCT 2020

File Number	Family	of Families	Page	of Pages
639464895	1	8	3	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of Filing	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	01	002		20150324 1038 1529 8617	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	639464895	X		A AMNDMNT		

Reference Debtor/ Transferor	First Given Name	Initial	Surname
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Business Debtor Name

SALON DISTRIBUTION INC.

Other Change

Other Change

Reason / Description	Reason / Description
	AMEND DEBTOR NAME FROM SALON DISTRIBUTION INC. TO CONFORTI HOLDINGS LIMITED AS PER AMALGAMATION DATE OF MARCH 31, 2013. AMEND SECURED PARTY ADDRESS FROM

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
		Business Debtor Name		Ontario Corporation Number
		CONFORTI HOLDINGS LIMITED		
		Address	City	Province Postal Code
		36 LIMCOMBE DR	THORNHILL	ON L3T 2V5

Assignor Name	Assignor Name
---------------	---------------

Secured Party	Secured party, lien claimant, assignee		
	ROYAL BANK OF CANADA		
	Address	City	Province Postal Code
	36 YORK MILLS ROAD, 4TH FLOOR	TORONTO	ON M2P 0A4

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

	Address	City	Province	Postal Code

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	CONFORTI HOLDINGS				

File Currency	19OCT 2020				
	File Number	Family	of Families	Page	of Pages
	639464895	1	8	5	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20170825 1437 1530 7658	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	639464895		X	B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name	Initial	Surname			
	Business Debtor Name					
	CONFORTI HOLDINGS LIMITED					

Other Change	Other Change			

Reason / Description	Reason / Description			

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname			
	Business Debtor Name						

	Address	City	Province	Postal Code

Assignor Name	Assignor Name			

Secured Party	Secured party, lien claimant, assignee			

	Address	City	Province	Postal Code

	Inventory	Equipment	Accounts	Other	Amount	

Collateral Classification	Consumer Goods						Motor Vehicle Included		Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description	General Collateral Description
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Registering Agent	Registering Agent or Secured Party/ Lien Claimant
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CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	CONFORTI HOLDINGS						
File Currency	19OCT 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	646613073	2	8	6	24	03JUL 2023	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
646613073		01	001		20080703 1944 1531 3133	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name				Ontario Corporation Number
	CONFORTI HOLDINGS LIMITED				
	Address		City	Province	Postal Code
	36 LIMCOMBE DR		THORNHILL	ON	L3T 2V5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name				Ontario Corporation Number
	Address		City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant						
	THE TORONTO-DOMINION BANK - 00762						
	Address				City	Province	Postal Code
	2960 KINGSWAY DRIVE				KITCHENER	ON	N2C 1X1

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X	X	X	X	X				X

Motor Vehicle Description	Year	Make	Model	V.I.N.	

General Collateral Description	General Collateral Description				
Registering Agent	Registering Agent				
	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address			City	Province
	SUITE 200 - 4126 NORLAND AVENUE			BURNABY	BC
				V5G 3S8	

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	CONFORTI HOLDINGS				
File Currency	19OCT 2020				
	File Number	Family	of Families	Page	of Pages
	646613073	2	8	7	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20130617 1938 1531 9304	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
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Reference Debtor/ Transferor	First Given Name		Initial	Surname		
	Business Debtor Name					
	CONFORTI HOLDINGS LIMITED					

Other Change	Other Change				

Reason / Description	Reason / Description				

Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname	
		Business Debtor Name				Ontario Corporation Number	
		Address			City	Province	Postal Code

Assignor Name	Assignor Name						
	Secured party, lien claimant, assignee						
	Address			City	Province	Postal Code	

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	Year	Make			Model		V.I.N.		

Motor Vehicle Description											
General Collateral Description	General Collateral Description										
Registering Agent	Registering Agent or Secured Party/ Lien Claimant										
CANADIAN SECURITIES REGISTRATION SYSTEMS											
Address					City		Province	Postal Code			
4126 NORLAND AVENUE					BURNABY		BC	V5G 3S8			
CONTINUED											
Type of Search	Business Debtor										
Search Conducted On	CONFORTI HOLDINGS										
File Currency	19OCT 2020										
	File Number	Family	of Families	Page	of Pages						
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FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT											
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Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required				Renewal Years	Correct Period		
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Reference Debtor/ Transferor	First Given Name				Initial	Surname					
	Business Debtor Name										
	CONFORTI HOLDINGS LIMITED										
Other Change	Other Change										
Reason / Description	Reason / Description										
Debtor/ Transferee	Date of Birth	First Given Name				Initial	Surname				
	Business Debtor Name										Ontario Corporation Number
	Address					City			Province	Postal Code	
Assignor Name	Assignor Name										
Secured Party	Secured party, lien claimant, assignee										
	Address					City			Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date		

Motor Vehicle Description	Year	Make	Model	V.I.N.					
General Collateral Description									
General Collateral Description									
Registering Agent		Registering Agent or Secured Party/ Lien Claimant							
		CANADIAN SECURITIES REGISTRATION SYSTEMS							
		Address		City	Province	Postal Code			
		4126 NORLAND AVENUE		BURNABY	BC	V5G 3S8			
END OF FAMILY									
Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
704464623		01	004		20150323 1946 1531 4623	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	CONFORTI HOLDINGS LIMITED								
	Address				City	Province	Postal Code		
	36 LIMCOMBE DRIVE				THORNHILL	ON	L3T 2V5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	ROYAL BANK OF CANADA								
	Address				City	Province	Postal Code		
	36 YORK MILLS ROAD, 4TH FLOOR				TORONTO	ON	M2P 0A4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X	X	X	X	X				
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	THE ACQUIRED PERSONAL PROPERTY INCLUDING, WITHOUT LIMITATION, IN ALL								

GOODS, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, INTANGIBLES, MONEY AND SECURITIES NOW OWNED OR HEREAFTER OWNED OR ACQUIRED BY OR				
Registering Agent	Registering Agent			
CANADIAN SECURITIES REGISTRATION SYSTEMS				
Address		City	Province	Postal Code
4126 NORLAND AVENUE		BURNABY	BC	V5G 3S8

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	704464623	3	8	10	24	23MAR 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
704464623		02	004		20150323 1946 1531 4623				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address					City	Province	Postal Code	
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address					City	Province	Postal Code	
Secured Party	Secured Party / Lien Claimant								
	Address					City	Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	ON BEHALF OF DEBTOR AND ALL PROCEEDS AND RENEWALS THEREOF,								
	ACCRETIONS THERETO AND SUBSTITUTIONS THEREFOR, AND INCLUDING,								
	WITHOUT LIMITATION, ALL OF THE FOLLOWING NOW OWNED OR HEREAFTER								
Registering Agent	Registering Agent								
	Address					City	Province	Postal Code	

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	704464623	3	8	11	24	23MAR 2025			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
704464623		03	004		20150323 1946 1531 4623				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address					City	Province	Postal Code	
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address					City	Province	Postal Code	
Secured Party	Secured Party / Lien Claimant								
	Address					City	Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description OWNED OR ACQUIRED BY OR ON BEHALF OF DEBTOR, ALL INVENTORY, ALL EQUIPMENT, ALL DEBTS, ALL DEEDS, DOCUMENTS, WRITINGS, PAPERS, BOOKS OF ACCOUNT AND OTHER BOOKS RELATING TO OR BEING RECORDS OF DEBTS,								
Registering Agent	Registering Agent								
	Address					City	Province	Postal Code	

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	CONFORTI HOLDINGS						
File Currency	19OCT 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	704464623	3	8	12	24	23MAR 2025	
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
704464623		04	004		20150323 1946 1531 4623		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname					
Business Debtor		Business Debtor Name		Ontario Corporation Number					
		Address		City	Province	Postal Code			
Individual Debtor	Date of Birth	First Given Name	Initial	Surname					
Business Debtor		Business Debtor Name		Ontario Corporation Number					
		Address		City	Province	Postal Code			
Secured Party		Secured Party / Lien Claimant							
		Address		City	Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model	V.I.N.					
General Collateral Description	General Collateral Description CHATTEL PAPER OR DOCUMENTS OF TITLE, ALL CONTRACTUAL RIGHTS AND INSURANCE CLAIMS AND ALL GOODWILL, PATENTS, TRADEMARKS, COPYRIGHTS, AND OTHER INDUSTRIAL PROPERTY.								
Registering Agent	Registering Agent								
	Address					City	Province	Postal Code	

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages				
	704464623	3	8	13	24				
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under	
		01	001		20200221 1433 1530 0667				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required			Renewal Years	Correct Period	
	704464623	X	B RENEWAL	5					
	First Given Name				Initial	Surname			

Reference Debtor/ Transferor	Business Debtor Name								
CONFORTI HOLDINGS LIMITED									
Other Change				Other Change					
Reason / Description				Reason / Description					
Debtor/ Transferee	Date of Birth		First Given Name			Initial	Surname		
Business Debtor Name							Ontario Corporation Number		
Address				City		Province Postal Code			
Assignor Name									
Assignor Name									
Secured Party				Secured party, lien claimant, assignee					
Address				City		Province Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make				Model		V.I.N.	
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
CANADIAN SECURITIES REGISTRATION SYSTEMS									
Address							City	Province	Postal Code
4126 NORLAND AVENUE							BURNABY	BC	V5G 3S8
END OF FAMILY									
Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	714702861	4	8	14	24	11MAR 2021			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
714702861		01	001		20160311 1434 1530 6127	P PPSA	5		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname					
Business Debtor	Business Debtor Name			Ontario Corporation Number					
	CONFORTI HOLDINGS LIMITED								
	Address		City	Province	Postal Code				
	1800 SHEPPARD AVE E UNIT 307		TORONTO	ON	M2J 5A7				
Individual Debtor	Date of Birth	First Given Name	Initial	Surname					
Business Debtor	Business Debtor Name			Ontario Corporation Number					
	Address		City	Province	Postal Code				
Secured Party	Secured Party / Lien Claimant								
	THE TORONTO-DOMINION BANK - 00842								
	Address		City	Province	Postal Code				
	3100 HOWARD AVENUE		WINDSOR	ON	N8X 3Y8				
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X	X	X	X	X			X	
Motor Vehicle Description	Year	Make	Model	V.I.N.					
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	D+H LIMITED PARTNERSHIP								
	Address					City	Province	Postal Code	
	SUITE 200, 4126 NORLAND AVENUE					BURNABY	BC	V5G 3S8	
END OF FAMILY									
Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	714712122	5	8	15	24	11MAR 2021			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
714712122		01	001		20160311 1942 1531 6319	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	CONFORTI HOLDINGS LIMITED								
	Address					City	Province	Postal Code	
	1800 SHEPPARD AVE E UNIT 307					TORONTO	ON	M2J 5A7	
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			

Business Debtor	Business Debtor Name	Ontario Corporation Number		
	Address	City	Province	Postal Code
Secured Party	Secured Party / Lien Claimant			
THE TORONTO-DOMINION BANK - 00872	Address	City	Province	Postal Code
PO BOX 215, 1800 SHEPPARD AVE E		WILLOWDALE	ON	M2J 5A7
Collateral Classification	Consumer Goods	Inventory Equipment Accounts Other	Motor Vehicle Included	Amount Date of Maturity or No Fixed Maturity Date
	X X X X X			X
Motor Vehicle Description	Year	Make	Model	V.I.N.
General Collateral Description	General Collateral Description			
Registering Agent	Registering Agent			
	D+H LIMITED PARTNERSHIP			
	Address	City	Province	Postal Code
	SUITE 200, 4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8
END OF FAMILY				
Type of Search	Business Debtor			
Search Conducted On	CONFORTI HOLDINGS			
File Currency	19OCT 2020			
	File Number	Family of Families	Page of Pages	Expiry Date Status
	740121084	6 8 16 24		05JUN 2023
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN				
File Number	Caution Filing	Page of Total Pages	Motor Vehicle Schedule	Registration Number Registered Under Registration Period
740121084	001	2		20180605 0849 4085 8004 P PPSA 05
Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
CONFORTI HOLDINGS LTD	Address	City	Province	Postal Code
35 GREEN VALLEY ROAD		NORTH YORK	ON	M2P 1A4
Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	14FEB1952	ANTONIO		CONFORTI
	Business Debtor Name			Ontario Corporation Number
	Address		City	Province Postal Code
	35 GREEN VALLEY RD		NORTH YORK	ON M2P 1A4
Secured Party	Secured Party / Lien Claimant			
VW CREDIT CANADA INC.				

	Address					City	Province	Postal Code	
	4865 MARC-BLAIN ST., SUITE 300					ST-LAURENT	QC	H4R 3B2	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X	X		X	X		47532.51	01JUN2023	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
	2018	AUDI			Q5 PROGRESSIV		WA1ENAFY9J2151025		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	D + H LIMITED PARTNERSHIP								
	Address					City	Province	Postal Code	
	2 ROBERT SPECK PARKWAY, 15TH FLOOR					MISSISSAUGA	ON	L4J 1H8	
CONTINUED									
Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	740121084	6	8	17	24	05JUN 2023			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
740121084		002	2		20180605 0849 4085 8004				
Individual Debtor	Date of Birth		First Given Name			Initial	Surname		
	14FEB1952		TONY				CONFORTI		
Business Debtor	Business Debtor Name							Ontario Corporation Number	
	Address					City	Province	Postal Code	
	35 GREEN VALLEY RD					NORTH YORK	ON	M2P 1A4	
Individual Debtor	Date of Birth		First Given Name			Initial	Surname		
	14FEB1952		TONY				CONFORTI		
Business Debtor	Business Debtor Name							Ontario Corporation Number	
	Address					City	Province	Postal Code	
	35 GREEN VALLEY RD					NORTH YORK	ON	M2P 1A4	
Secured Party	Secured Party / Lien Claimant								
	Address					City	Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	Year	Make			Model		V.I.N.		

Motor Vehicle
DescriptionGeneral Collateral
Description

General Collateral Description

Registering Agent	Registering Agent			
	Address		City	Province
				Postal Code

END OF FAMILY

Type of Search Business Debtor
Search Conducted On CONFORTI HOLDINGS

File Currency 19OCT 2020

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
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743704353 7 8 18 24 13SEP 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
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743704353 01 001 20180913 1039 1529 4331

P PPSA

5

Individual Debtor Date of Birth First Given Name Initial Surname

Business Debtor Business Debtor Name Ontario Corporation Number

CONFORTI HOLDING LIMITED

Address	City	Province	Postal Code
---------	------	----------	-------------

2-7755 WARDEN AVE MARKHAM ON L3R 0N3

Individual Debtor Date of Birth First Given Name Initial Surname

12FEB1988 GIANMARCO CONFORTI

Business Debtor Business Debtor Name Ontario Corporation Number

Address	City	Province	Postal Code
---------	------	----------	-------------

3 MALAREN RD MAPLE ON L6A 1E7

Secured Party Secured Party / Lien Claimant

BMW CANADA INC

Address	City	Province	Postal Code
---------	------	----------	-------------

50 ULTIMATE DRIVE RICHMOND HILL ON L4S 0C8

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle	Amount Included	Date of Maturity or	No Fixed Maturity Date
---------------------------	----------------	-----------	-----------	----------	-------	---------------	-----------------	---------------------	------------------------

X X X X 29808 X

Motor Vehicle Description	Year	Make	Model	V.I.N.
---------------------------	------	------	-------	--------

2018 BMW X3 XDRIVE30I 5UXTR9C59JLD89754

General Collateral
Description

General Collateral Description

Registering Agent	Registering Agent				
	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address			City	Province
	4126 NORLAND AVENUE		BURNABY	BC	V5G 3S8

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	CONFORTI HOLDINGS						
File Currency	19OCT 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	825298173	8	8	19	24	01OCT 2026	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
825298173		01	001		19961001 1740 1513 0950	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation Number	
	CONFORTI HOLDINGS LIMITED				
	Address		City	Province	Postal Code
	36 LIMCOEBE DR		THORNHILL	ON	L3T 2V5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation Number	
	CONFORTI HOLDINGS LIMITED				
	Address		City	Province	Postal Code
	36 LIMCOEBE DR		THORNHILL	ON	L3T 2V5

Secured Party	Secured Party / Lien Claimant				
	THE TORONTO-DOMINION BANK - KING & YONGE 10252				
	Address		City	Province	Postal Code
	1 KING STREET & YONGE STREET		TORONTO	ON	M5H 1A1

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
	X	X	X	X	X				X

Motor Vehicle Description	Year	Make	Model	V.I.N.		

General Collateral Description	General Collateral Description					

Registering Agent	Registering Agent				
	Address		City	Province	Postal Code

CONTINUED

Type of Search	Business Debtor
	CONFORTI HOLDINGS

Search Conducted
On

File Currency 19OCT 2020

File Number	Family	of Families	Page	of Pages
825298173	8	8	20	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	01	001		20010917 1830 1531 2608	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	825298173	X		B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name	Initial	Surname

Business Debtor Name
CONFORTI HOLDINGS LIMITED

Other Change	Other Change

Reason / Description	Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname

Business Debtor Name

Ontario Corporation
Number

Address

City

Province Postal Code

Assignor Name	Assignor Name

Secured Party	Secured party, lien claimant, assignee

Address	City	Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent or Secured Party/ Lien Claimant
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CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	SUITE 180-13571 COMMERCE PARKWAY	RICHMOND	BC	V6V2L1

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	CONFORTI HOLDINGS								
File Currency	19OCT 2020								
	File Number	Family	of Families	Page	of Pages				
	825298173	8	8	21	24				
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under			
		01	001		20060913 2002 1531 1940				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required		Renewal Years	Correct Period		
	825298173		X	B RENEWAL		5			
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	CONFORTI HOLDINGS LIMITED								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname			
	Business Debtor Name						Ontario Corporation Number		
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								

	CANADIAN SECURITIES REGISTRATION SYSTEMS				
	Address			City	Province Postal Code
	4126 NORLAND AVENUE			BURNABY	BC V5G 3S8

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	CONFORTI HOLDINGS				
File Currency	19OCT 2020				
	File Number	Family	of Families	Page	of Pages
	825298173	8	8	22	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20110919 1452 1530 1979	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	825298173		X	B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name	Initial	Surname			
	Business Debtor Name					
	CONFORTI HOLDINGS LIMITED					

Other Change	Other Change				
Reason / Description		Reason / Description			

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname	
	Business Debtor Name			Ontario Corporation Number	
	Address			City	Province Postal Code

Assignor Name	Assignor Name				
Secured Party	Secured party, lien claimant, assignee				
	Address			City	Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.		

General Collateral Description	General Collateral Description					

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

CONTINUED

Type of Search Business Debtor

Search Conducted CONFORTI HOLDINGS
On

File Currency 19OCT 2020

File Number	Family	of Families	Page	of Pages
825298173	8	8	23	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of Filing	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	01	001		20160819 1936 1531 8023	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	825298173	X		B RENEWAL	5	

Reference Debtor/
Transferor First Given Name Initial SurnameBusiness Debtor Name
CONFORTI HOLDINGS LIMITED

Other Change Other Change

Reason / Description Reason / Description

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code

Assignor Name Assignor Name

Secured Party Secured party, lien claimant, assignee

Address City Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
------------------------------	-------------------	-----------	-----------	----------	-------	------------------------------	--------	------------------------	------------------------------

Motor Vehicle Description Year Make Model V.I.N.

General Collateral
Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

CONTINUED

Type of Search	Business Debtor				
Search Conducted On	CONFORTI HOLDINGS				
File Currency	19OCT 2020				
	File Number	Family	of Families	Page	of Pages
	825298173	8	8	24	24

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20160908 1934 1531 5676	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	825298173		X	B RENEWAL	5	

Reference Debtor/ Transferor	First Given Name	Initial	Surname
	CONFORTI HOLDINGS LIMITED		

Other Change	Other Change		

Reason / Description	Reason / Description		

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
	Business Debtor Name			
	Address		City	Province Postal Code

Assignor Name	Assignor Name			
Secured Party	Secured party, lien claimant, assignee			

Address	City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Year	Make	Model	V.I.N.

Motor Vehicle
Description

General Collateral
Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

CANADIAN SECURITIES REGISTRATION SYSTEMS

	Address	City	Province	Postal Code
	4126 NORLAND AVENUE	BURNABY	BC	V5G 3S8

LAST PAGE

Note: All pages have been returned.

[BACK TO TOP](#)

  [All Pages](#)  

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This is **Exhibit “D”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

A927328446B742A...

A Commissioner, etc.

NEWS RELEASE

Ontario Orders the Mandatory Closure of All Non-Essential Workplaces to Fight Spread of COVID-19

New Measures to Further Protect the Health and Safety of the People of Ontario

March 23, 2020

[Office of the Premier](#)

TORONTO — To further contain the spread of COVID-19, the Ontario Government will order the mandatory closure of all non-essential workplaces effective as of Tuesday, March 24th at 11:59 p.m. This closure will be in effect for 14 days with the possibility of extending this order as the situation evolves. A full list of businesses that are permitted to stay open will be released tomorrow.

"This was a tough decision, but the right decision, as this is no time for half measures," said Premier Doug Ford. "But I have said from day one we will, and we must, take all steps necessary to slow the spread of COVID-19. The health and safety of every Ontarian must come first. The health of you, your children, your grandparents and friends depends on all of us doing our part."

Businesses that can continue operations with employees working remotely, or through other contingency measures, are being given approximately 36 hours to prepare and adapt. Essential services may continue their operations to maintain supply chains and ensure the people of Ontario have access to necessities, including groceries, medicines and other essential products.

A 1-800 number and website will be made available on Wednesday for any inquiries.

"Based on the advice of Dr. Williams, Ontario's Chief Medical Officer of Health, and the experts at our Command Table, Ontario is taking further action to contain the spread of COVID-19," said Christine Elliott, Deputy Premier and Minister of Health. "These enhanced measures are necessary to protect the health and well-being of Ontarians. Nothing is more important."

"Our top priority must be to protect the health of the people of Ontario," said Rod Phillips, Minister of Finance. "Slowing the spread of COVID-19 will allow the people and the businesses of Ontario to move forward from this unprecedented situation."

"Our government is listening to our public health officials to ensure we take the right actions to support the health and safety of Ontario job creators and workers," said Vic Fedeli, Minister of Economic Development, Job Creation and Trade. "We are working directly with businesses and workers across all sectors to support them in any way possible through this crisis. We urge the business community to share their innovative ideas and capabilities to fight COVID-19 through our new portal Ontario Together at www.ontario.ca/OntarioTogether."

Additional Resources

- Visit Ontario's [website](#) to learn more about how the province continues to protect Ontarians from COVID-19.

Related Topics

Government

Learn about the government services available to you and how government works. [Learn more](#)

Health and Wellness

Get help navigating Ontario's health care system and connecting with the programs or services you're looking for. [Learn more](#)

Media Contacts

Ivana Yelich

Premier's Office

Ivana.Yelich@ontario.ca

This is **Exhibit “E”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

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A Commissioner, etc.

NEWS RELEASE

Ontario Moving Toronto and Peel Region into Stage 2

More People Can Return to Work as Key Public Health Trends Improve

June 22, 2020

[Office of the Premier](#)

TORONTO — The Ontario government is allowing more businesses and services to open and getting more people back to work by moving the City of Toronto and Peel Region into Stage 2 on Wednesday. This decision was made in consultation with the Chief Medical Officer of Health and the local medical officers of health. It is based on positive local trends of key public health indicators, including lower transmission of COVID-19, ongoing hospital capacity, public health capacity to do rapid case and contact management, and a significant increase in testing.

"Today's announcement is another sign that we continue to make steady progress," said Premier Ford. "We have been working hand-in-hand with our municipal partners and local public health units to safely and gradually reopen the province. We will do everything we can to get our final region, Windsor-Essex, into Stage 2 as soon as possible. That's why we are ramping up testing and inspections on Ontario's farms to protect workers and keep our food supply chains strong and healthy."

Toronto Public Health and Peel Public Health will enter Stage 2 on Wednesday, June 24, 2020 at 12:01 a.m. They will join the [31 other public health regions that entered Stage 2](#) on June 12 and 19, 2020.

"Because of our collective efforts, we continue to make real and significant progress in stopping the spread of COVID-19," said Christine Elliott, Deputy Premier and Minister of Health. "As a result, more regions have met the public health criteria to move into Stage 2 and reopen more services for the communities to enjoy. Just as importantly, these efforts to stop the spread have ensured that we aren't seeing spikes in cases in those regions that have been open for well over a week now."

Windsor-Essex will remain in Stage 1 and the situation in the region will continue to be assessed on an ongoing basis. To ensure the region is able to move forward as soon as it is safe to do so, the province is building on the work completed by Windsor-Essex County Health Unit to date and collaborating with federal and local authorities to support the implementation of a targeted and collaborative response that includes:

- Continuing with proactive targeted testing for agri-food workers, including enhanced on-farm testing;
- Conducting more than 200 Ministry of Labour, Training and Skills Development on-farm inspections and investigations;
- Starting new joint inspections of farms with federal authorities to review current working and living conditions of temporary foreign workers with the Ministry of Labour, Training and Skills Development and local public health officials;
- Providing \$15 million through the Enhanced Agri-food Workplace Protection program, which provides cost-share funding to improve employee and workplace health and safety on farms and in processing facilities. The funding can be used to purchase personal protective equipment (PPE), put up physical barriers, make housing modifications, or provide alternate housing or other measures;
- Translating COVID-19 health and safety guidance documents into Spanish and posting them on [Ontario.ca/covidsafety](#). Additional resources, including webinars and helpful posters, are also available, and will help farmers and other agri-food employers provide safe and healthy workplaces;
- Providing specific funding to Workplace Safety and Prevention Services to deliver resources and consulting services to help farmers and other agri-food businesses provide safe workplaces; and
- Continuing to press the federal government to provide new funding to support priority sectors impacted by COVID-19, including the agricultural sector, as the province reopens and charts a path to economic recovery.

"Our government is committed to protecting our agri-food workers who continue to produce the safe and healthy foods Ontarians rely on," said Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs. "Expanded on-farm proactive testing, more workplace inspections and additional resources like our \$15-million Enhanced Agri-food Workplace Protection Program are part of our coordinated effort to safeguard our farm workers."

The Chief Medical Officer of Health has also strongly recommended that local medical officers of health use their authority under section 22 of the *Health Protection and Promotion Act* to issue class orders to ensure that employers of temporary workers take actions to decrease the risk of transmission of COVID-19 on farms. These actions will ensure:

- All foreign workers self-isolate for 14 days from the date of their arrival, with the resources and supports they need to avoid any contacts with others and notification to public health unit if they have any COVID-19 symptoms;
- All workers coming from any area where there is community transmission have tested negative for COVID-19 within 48 hours prior to beginning work;
- Daily active screening;
- Accurate and updated contact information of permanent, temporary and contract employees available to the public health unit within 24 hours and ensuring employees are assigned to the same group to support effective case management and contact tracing;
- Physical distancing maintained between workers as best as possible and personal protective equipment to be provided based on risk assessment; and
- All legislative requirements to protect worker health and safety are followed.

"COVID-19 has changed the way people work and interact with each other — both on and off the farm," said Monte McNaughton, Minister of Labour, Training, and Skills Development. "Our ministry, together with its health and safety partners, has worked hard to get important information to employers and workers in the agricultural sector. I encourage you to access these documents at Ontario.ca/covidsafety."

With this enhanced response, and continued support from the entire Windsor-Essex community, the government is confident Windsor-Essex County Health Unit region will proceed to Stage 2 soon.

The Chief Medical Officer of Health and health experts will continue to closely monitor the evolving situation in all regions of the province to advise when public health restrictions can be gradually loosened or if they need to be tightened.

Although restrictions are being gradually relaxed in Stage 2, the government is strongly recommending that everyone in Ontario follow public health advice, including physical distancing, wearing a face covering if physical distancing is a challenge, washing hands frequently and thoroughly, and avoid touching your eyes, nose and mouth.

Quick Facts

- Every Monday, the government is providing an update on the ongoing assessment of the different regions, and whether they are ready to move into Stage 2.
- To get tested, people should visit Ontario's [website](#) to find their local assessment centre and whether they need to call ahead to make an appointment.
- Stage 3 will focus on reopening more workplaces and community spaces, while carefully and gradually relaxing restrictions, and sustaining and expanding workplace health and safety guidance.
- The province has developed a practical [step-by-step](#) guide to help Ontarians as they safely develop and join a social circle.

Additional Resources

- [Learn more about Stage 2 of reopening Ontario](#)
- [Learn more about A Framework for Reopening our Province](#)
- [Find workplace safety guidance documents to prepare for reopening](#)
- [Find the Ministry of Health's Guidance Document for Essential Workplaces](#)
- [Ontario Permits More Businesses and Services to Reopen in the Coming Days](#)
- [Ontarians Encouraged to Establish Social Circles](#)
- [Visit Ontario's website to learn more about how the province continues to protect the people of Ontario from COVID-19](#)

Related Topics

Government

Learn about the government services available to you and how government works. [Learn more](#)

Health and Wellness

Get help navigating Ontario's health care system and connecting with the programs or services you're looking for. [Learn more](#)

Media Contacts

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Hayley Chazan

Minister Elliott's Office

Hayley.Chazan@ontario.ca

This is **Exhibit “F”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:



A927328446B742A...

A Commissioner, etc.



DELIVERED BY COURIER

September 21, 2020

MASS NOTICE OF DEFAULT

Conforti Holdings Limited
7755 Warden Avenue
Unit 2
Markham, ON
L3R 0N3

This is a notice of default, served upon you pursuant to various lease agreements which are recited in the attached Schedules "A-1" to "A-11", regarding certain leased premises as set out therein.

The particulars of the default are that the tenant has failed to pay rent in the Schedules attached hereto. Details of the rent arrears for each of the subject leases are set out in the attached Schedules, in accordance with our records. If you have paid any portion of the arrears, you nevertheless remain responsible for payment of the balance within the time period set out herein.

You are hereby required to remedy your default by paying all rental arrears on or before the **28th** day of **September, 2020**. Payment must be made by certified cheque or money order, payable to each respective landlord under each of the leases at the address for payment under each of the subject leases referred to in the attached schedules. If such payment is not received by the specified date, the landlord may, without further notice to you, exercise all rights and remedies as are available to it pursuant to the leases and otherwise at law, including, at its option, its right to re-enter the premises and terminate the lease(s), and to commence legal proceedings against you for any damages suffered by the landlord by reason of the above-mentioned and any other breaches.

If the landlord elects to terminate the lease(s), it may do so without prejudice to all of its rights under the lease(s) and at law, including, without limitation, its claim against you for arrears, accelerated rent as set out in the lease(s), interest on the outstanding amounts as set forth in the lease(s) or as otherwise available at law, all payments of annual Minimum Rent, Percentage Rent, and Additional Rent and other sums and charges accruing due over what would have been the unexpired Term(s) of the lease(s) as of the date of such termination, and all damages suffered as a result of the forfeiture of the lease(s) (including all legal and other costs and expenses incurred by the landlord in connection therewith and in reletting the premises), together with applicable Sales Taxes on all of the foregoing.

Ontario Portfolio
20 Queen Street West
3rd Floor
Toronto ON M5H 3R3

T – 416 598 8500
F – 416 598 8411

cadillacfairview.com





Nothing herein shall be construed as an acceptance or waiver of any other defaults of the Tenant under the Leases, including, but not limited to, any failure of the Tenant to comply with its other rental obligations thereunder.

Kindly govern yourself accordingly.

Yours very truly,

The Cadillac Fairview Corporation Limited,
on behalf of the landlords named in Schedules A-1 to A-11

Blair Brooks

Blair Brooks
Director, Legal Services

cc: S. Iacono, S. Yau, C. Baxter, M. Palazzo, J. Massey, S. Pennock, M. Wray
M. Pukas, A. Aloe,
E. Williamson, A. Tortorice, J. Hill
Property Manager/Revenue Coordinator
Leasing/Legal


SCHEDULE "A-1"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
CF/REALTY HOLDINGS INC AND FVM PROPERTY INC., both by their authorized agent THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a " Natural Solutions ", Store No. 1047, CF Fairview Mall, North York, ON	Lease dated the 27 th day of April, 2015.


SCHEDULE 'A'
STATEMENT OF ACCOUNT
CF FAIRVIEW MALL

Conforti Holdings Ltd.
o/a Natural Solutions
7755 Warden Ave.
Unit 2
Markham, ON L3R 0N3

Date : 18-Sep-20

Date	Lease ID.	Description	Amount	Payment	Balance
1-Jun-20	t0002302	Rent Due - June 2020	\$30,965.95		
		HST	\$4,025.57	\$0.00	\$34,991.52
1-Jul-20		Rent Due - July 2020	\$30,965.95		
		HST	\$4,025.57	(\$17,495.77)	\$17,495.75
1-Aug-20		Rent Due - August 2020	\$30,965.95		
		HST	\$4,025.57	(\$17,495.77)	\$17,495.75
1-Sep-20		Rent Due - September 2020	\$30,965.95		
		HST	\$4,025.57	\$0.00	\$34,991.52
Amount due					\$104,974.54


SCHEDULE "A-2"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
CF/REALTY HOLDINGS INC AND FVM PROPERTY INC., both by their authorized agent THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Tonyc ", Store No. 2052, CF Fairview Mall, North York, ON	Lease dated the 11 th day of November, 2014.


SCHEDULE 'A'
STATEMENT OF ACCOUNT
CF FAIRVIEW MALL

Conforti Holdings Ltd.
o/a Tonyc
7755 Warden Ave.
Unit 2
Markham, ON L3R 0N3

Date : 18-Sep-20

Date	Lease ID.	Description	Amount	Payment	Balance
1-Jun-20	t0002405	Rent Due - June 2020	\$40,708.67		
		HST	\$5,292.13		
1-Jul-20		Rent Due - July 2020	\$40,708.67		
		HST	\$5,292.13		
1-Aug-20		Rent Due - August 2020	\$40,708.67		
		HST	\$5,292.13		
1-Sep-20		Rent Due - September 2020	\$40,708.67		
		HST	\$5,292.13		
Amount due					\$138,002.40



SCHEDULE "A-3"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
ONTREA INC. AND CF/REALTY HOLDINGS INC., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Ashby Grove Barber Shop", Store No. M029, CF Fairview Park Mall, Kitchener, ON	Lease dated the 16 th day of December, 2019



CF Fairview Park

STATEMENT OF ACCOUNT

Date : September 18,
2020

Invoice to :

Conforti Holdings Limited
t/a Ashby Grove Barber Shop
7755 Warden Ave
Markham, ON L3R 0N3

Lease No. t0007973
Unit No. M029

Date	Invoice No.	Description	Amount	HST Number:	13009 7066 RT0020	Payment	Balance
17-Jun-20	15393	Drawings Review Invoice	\$690.36				\$690.36
20-Jul-20	15560	Design Drawings Review Invoice	\$565.00				\$565.00
15-Aug-20		Monthly Rent HST		\$4,242.95 \$551.58			\$4,794.53
1-Sep-20		Monthly Rent HST		\$7,591.55 \$986.90			\$8,578.45
Total Amount due							\$14,628.34


SCHEDULE "A-4"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
ONTREA INC. AND CF/REALTY HOLDINGS INC., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Natural Solutions", Store No. E009, CF Fairview Park Mall, Kitchener, ON	Lease dated the 13 th day of November, 2014


CF Fairview Park
STATEMENT OF ACCOUNT

Invoice to :
Conforti Holdings Limited
 t/a Natural Solutions
 7755 Warden Ave
 Markham, ON L3R 0N3

Date : September
 18, 2020

Lease No. t0002000
 Unit No. E009A

HST
 Number: 13009 7066
 RT0020

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jun-20		Monthly Rent HST	\$21,392.89 \$2,781.09 \$24,173.98		\$24,173.98
1-Jul-20		Monthly Rent HST	\$21,392.89 \$2,781.09 \$24,173.98	\$12,086.99	\$12,086.99
1-Aug-20		Monthly Rent HST	\$21,392.89 \$2,781.09 \$24,173.98	\$12,086.99	\$12,086.99
1-Sep-20		Monthly Rent HST	\$21,392.89 \$2,781.09 \$24,173.98		\$24,173.98
Total Amount due					\$72,521.94



SCHEDULE "A-5"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
ONTREA INC. AND CF/REALTY HOLDINGS INC., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Tonyc", Store No. M006, CF Fairview Park Mall, Kitchener, ON	Lease dated the 27 th day of January, 2016



CF Fairview Park

STATEMENT OF ACCOUNT

Date : September
18, 2020

Invoice to :
Conforti Holdings Limited
 t/a Tonyc
 7755 Warden Ave
 Markham, ON L3R 0N3

Lease No. t0002069
 Unit No. M006

HST
 Number: 13009 7066
 RT0020

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jun-20		Monthly Rent HST	\$18,417.44 \$2,394.27 \$20,811.71		\$20,811.71
1-Jul-20		Monthly Rent HST	\$18,417.44 \$2,394.27 \$20,811.71	\$10,405.86	\$10,405.85
1-Aug-20		Monthly Rent HST	\$18,417.44 \$2,394.27 \$20,811.71	\$10,405.86	\$10,405.85
1-Sep-20		Monthly Rent HST	\$18,417.44 \$2,394.27 \$20,811.71		\$20,811.71
Total Amount due					\$62,435.12



SCHEDULE "A-6"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
ONTREA INC., by its duly authorized agent THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Tonyc Studio For Men + Women", Store No. 2188 CF Markville, Markham, ON	Lease dated the 9 th day of June, 2016.



**SCHEDULE 'A'
STATEMENT OF ACCOUNT
MARKVILLE SHOPPING CENTRE**

Invoice to :

Comforti Holdings Limited
t/a Tonyc Studio for Men + Women
7755 Warden Ave, Unit 2
Markham, Ontario
L3R 0N3

Date : September 21, 2020

Date	Invoice No. / Cheque#	Description	Amount	Payment	Balance
1-Jun-20		Base Rent	\$4,758.75		
		Additional Rent	\$5,351.49		
		HST	\$1,314.34		\$11,424.58
1-Jul-20		Base Rent	\$4,758.75		
		Additional Rent	\$5,351.49		
		HST	\$1,314.34		\$11,424.58
1-Aug-20		Base Rent	\$4,758.75		
		Additional Rent	\$5,351.49		
		HST	\$1,314.34		\$11,424.58
1-Sep-20		Base Rent	\$4,758.75		
		Additional Rent	\$5,351.49		
		HST	\$1,314.34		\$11,424.58
Amount due					\$45,698.32

* April and May rent have been deferred for later payment



SCHEDULE "A-7"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
ONTREA INC., by its duly authorized agent THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Curio Salon", Store No. X1340, CF Sherway Gardens, Etobicoke, ON	Lease dated the 28 th day of May, 2015



CF Sherway Gardens
25 The West Mall Box 101

Etobicoke, Ontario M9C 1B8

STATEMENT OF ACCOUNT

Invoice to :

Conforti Holdings Limited
o/a Curio
7755 Warden Ave, Unit 2
Markham, ON
L3R 0N3

Date : September 18, 2020

Lease ID t0006220
Unit No. 1340
HST # 89678 0699 RT0093

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jun-20		June 2020 -Rent HST	\$20,045.05 \$2,605.86 \$22,650.91		\$22,650.91
1-Jul-20		July 2020- Rent HST	\$20,045.05 \$2,605.86 \$22,650.91		\$22,650.91 (\$11,325.46)
1-Aug-20		August 2020- Rent HST	\$20,045.05 \$2,605.86 \$22,650.91		\$22,650.91 (\$11,325.46)
1-Sep-20		September 2020- Rent HST	\$20,045.05 \$2,605.86 \$22,650.91		\$22,650.91
Amount due					\$67,952.72

Please remit your payment to :

The Cadillac Fairview Corporation Limited Re: Sherway
Gardens
25 The West Mall Box 101
Etobicoke, Ontario M9C 1B8


SCHEDULE "A-8"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
CF/TEC HOLDINGS INC. and ONTREA/TEC HOLDINGS INC., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "L'Attitude", Store No. A002, CF Toronto Eaton Centre, Toronto, ON	Lease dated the 17 th day of December, 2008.


SCHEDULE 'A'
CF TORONTO EATON CENTRE
STATEMENT OF ACCOUNT

Date : September
18, 2020

Invoice to :

Conforti Holdings Limited
dba L'Attitudes
7755 Warden Ave, Unit 2
Markham, ON L3R 0N3

Lease No. t0007104
Tenant No. lconfho1
Unit No. A002
HST Number: 105158877
RT0001

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jun-20		Monthly Rent HST	\$65,950.58 \$8,573.58 \$74,524.16		
					June 2020 Balance \$74,524.16
1-Jul-20		Monthly Rent HST	\$65,950.58 \$8,573.58 \$74,524.16		
28-Aug-20		chk# 034665 - Partial Payment			(\$37,848.24)
					July 2020 Balance \$36,675.92
1-Aug-20		Monthly Rent HST	\$65,950.58 \$8,573.58 \$74,524.16		
28-Aug-20		chk# 034666 - Partial Payment			(\$37,848.24)
					August 2020 Balance \$36,675.92
1-Sep-20		Monthly Rent HST	\$65,950.58 \$8,573.58 \$74,524.16		
					September 2020 Balance \$74,524.16
Total Amount due					\$222,400.16



SCHEDULE "A-9"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
CF/TEC HOLDINGS INC. and ONTREA/TEC HOLDINGS INC., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Natural Solutions ", Store No. YG17, CF Toronto Eaton Centre, Toronto, ON	Lease dated the 22 nd day of November, 2011



SCHEDULE 'A'

CF TORONTO EATON CENTRE

STATEMENT OF ACCOUNT

Date : September 18, 2020

Invoice to :

Conforti Holdings Limited
dba Natural Solutions
7755 Warden Ave, Unit 2
Markham, ON L3R 0N3

Lease No. t0007316
Tenant No. lconfh01
Unit No. YG17
HST Number: 105158877 RT0001

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jan-20		Monthly Rent HST	\$9,937.49 \$1,291.87 \$11,229.36		
3-Jan-20		chk# 095148			(\$9,888.90)
			January 2020 Balance		\$1,340.46
1-Feb-20		Monthly Rent HST	\$9,937.49 \$1,291.87 \$11,229.36		
5-Feb-20		chk# 095149			(\$9,888.90)
10-Feb-20	R1975491	2019 Year End Invoice HST	\$513.18 \$66.71 \$579.89		\$579.89
18-Feb-20	65014	Tenant Work Order HST	\$517.50 \$67.28 \$584.78		\$584.78
			February 2020 Balance		\$2,505.13
1-Mar-20		Monthly Rent HST	\$9,937.49 \$1,291.87 \$11,229.36		
4-Mar-20		chk# 095149 - Mar Rent + Inv 65014 (Feb 18, 2020)			(\$10,473.68)



			March 2020 Balance	\$755.68
1-Jun-20		Monthly Rent HST	\$9,937.50 \$1,291.87 \$11,229.37	
			June 2020 Balance	\$11,229.37
1-Jul-20		Monthly Rent HST	\$9,937.50 \$1,291.87 \$11,229.37	
28-Aug-20		chk# 18575 - Partial Payment		(\$4,944.45)
			July 2020 Balance	\$6,284.92
1-Aug-20		Monthly Rent HST	\$9,937.50 \$1,291.87 \$11,229.37	
28-Aug-20		chk# 18576 - Partial Payment		(\$4,944.45)
			August 2020 Balance	\$6,284.92
1-Sep-20		Monthly Rent HST	\$9,937.50 \$1,291.87 \$11,229.37	
			September 2020 Balance	\$11,229.37
Total Amount due				\$39,629.86


SCHEDULE "A-10"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
CF/TEC HOLDINGS INC. and ONTREA/TEC HOLDINGS INC., both by their duly authorized agent, THE CADILLAC FAIRVIEW CORPORATION LIMITED	CONFORTI HOLDINGS LIMITED	t/a "Nino D'Arena", Store No. A032, CF Toronto Eaton Centre, Toronto, ON	Lease dated the 13 th day of March, 2013


SCHEDULE 'A'
CF TORONTO EATON CENTRE
STATEMENT OF ACCOUNT

Date : September 18, 2020

Invoice to :

 Conforti Holdings Limited
 dba Nino D'Arena
 7755 Warden Ave, Unit 2
 Markham, ON L3R 0N3

 Lease No. t0007323
 Tenant No. lconfho1
 Unit No. A032

 HST Number: 105158877
 RT0001

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jun-20		Monthly Rent HST	\$23,843.64 \$3,099.67 \$26,943.31		
June 2020 Balance					\$26,943.31
1-Jul-20		Monthly Rent HST	\$23,843.64 \$3,099.67 \$26,943.31		
28-Aug-20		chk# 017495- Partial Payment		(\$13,471.66)	
July 2020 Balance					\$13,471.65
1-Aug-20		Monthly Rent HST	\$23,843.64 \$3,099.67 \$26,943.31		
28-Aug-20		chk# 017496 - Partial Payment		(\$13,471.66)	
August 2020 Balance					\$13,471.65
1-Sep-20		Monthly	\$23,843.64		



	Rent HST	\$3,099.67	
		\$26,943.31	
September 2020 Balance			\$26,943.31
Total Amount due			\$80,829.92


SCHEDULE "A-11"

LANDLORD	TENANT	TRADE NAME/ LOCATION	DOCUMENTS
ONTREA INC., THE CADILLAC FAIRVIEW CORPORATION LIMITED AND OPB (TDC) INC.	CONFORTI HOLDINGS LIMITED	t/a "Tonyc", Store No. 0052B, CF Toronto Dominion Centre, Toronto, ON.	Lease dated the 8 th day of April, 2014.



66 Wellington Street
West
P.O. Box 2, Suite 3800
Toronto, ON M5K 1A1

STATEMENT OF ACCOUNT

Date : September 18, 2020

Invoice to :

Tonyc

7755 Warden Avenue
Unit 2,
Markham, Ontario
L3R 0N3

Customer
No.
Tenant
No.

T0006891
TCONFHO1

HST 896780699
RT0083

Date	Invoice No.	Description	Amount	Payment	Balance
1-Jun-20		June Rent	\$17,527.13		\$17,527.13
1-Jul-20		July Rent	\$17,527.13		\$17,527.13
1-Aug-20		August Rent	\$17,527.13		\$17,527.13
1-Sep-20		September Rent	\$17,527.13		\$17,527.13
Amount due					\$70,108.52

Please remit your
payment to :

The Cadillac Fairview Corporation Limited Re: TD
Centre
66 Wellington Street West
P.O. Box 2, Suite 3800
Toronto, Ontario M5K 1A1
For further information, please contact Marcia Hall 416-869-2288

**This is Exhibit “G” to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.**

DocuSigned by:

A handwritten signature in black ink, enclosed in a blue rectangular box. The signature appears to read "m. fal".

A927328446B742A...

A Commissioner, etc.



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2675583
Estate No. 31-2675583

In the Matter of the Notice of Intention to make a
proposal of:

CONFORTI HOLDINGS LIMITED
Insolvent Person

CROWE SOBERMAN INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: September 28, 2020

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforesigned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforesigned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: September 28, 2020, 13:23

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

This is **Exhibit “H”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

A handwritten signature in black ink, appearing to read "m. gal".

A927328446B742A...

A Commissioner, etc.



Government
of Canada

Gouvernement
du Canada

[Canada.ca](https://www.canada.ca) > [Department of Finance Canada](https://www.canada.ca/en/department-finance/news/2020/10/government-announces-new-targeted-support-to-help-businesses-through-pandemic.html) > [News](#)

Government announces new, targeted support to help businesses through pandemic

From: [Department of Finance Canada](https://www.canada.ca/en/department-finance/news/2020/10/government-announces-new-targeted-support-to-help-businesses-through-pandemic.html)

News release

October 9, 2020 - Ottawa, Ontario - Department of Finance Canada

The Government of Canada took immediate action to help Canadian businesses affected by the global COVID-19 pandemic, from helping keep employees on the job to increasing cash flow and providing support to help pay rent.

While some parts of our economy are recovering, others continue to struggle with reduced revenues, increased costs, and uncertainty because of the COVID-19 pandemic.

That is why today the Deputy Prime Minister and Finance Minister, the Honourable Chrystia Freeland, announced the government's intention to introduce new, targeted supports to help hard-hit businesses and other organizations experiencing a drop in revenue. The government plans to introduce legislation to provide support that would help these businesses safely get through the second wave of the virus and the winter, cover costs so they can continue to serve their communities, and be positioned for a strong recovery, including:

- The new Canada Emergency Rent Subsidy, which would provide simple and easy-to-access rent and mortgage support until June 2021 for qualifying organizations affected by COVID-19. The rent subsidy would be provided directly to tenants, while also providing support to property owners. The new rent subsidy would support businesses, charities, and non-profits that have suffered a revenue drop, by subsidizing a percentage of their expenses, on a sliding scale, up to a maximum of 65 per cent of eligible expenses until December 19, 2020. Organizations would be able to make claims retroactively for the period that began September 27 and ends October 24, 2020.
- A top-up Canada Emergency Rent Subsidy of 25 per cent for organizations temporarily shut down by a mandatory public health order issued by a qualifying public health authority, in addition to the 65 per cent subsidy. This follows a commitment in the Speech from the Throne to provide direct financial support to businesses temporarily shut down as a result of a local public health decision.
- The extension of the Canada Emergency Wage Subsidy until June 2021, which would continue to protect jobs by helping businesses keep employees on the payroll and encouraging employers to re-hire their workers. The subsidy would remain at the current subsidy rate of up to a maximum of 65 per cent of eligible wages until December 19, 2020. This measure is part of the government's commitment to create over 1 million jobs and restore employment to the level it was before the pandemic.
- An expanded Canada Emergency Business Account (CEBA), which would enable businesses, and not-for-profits eligible for CEBA loans—and that continue to be seriously impacted by the pandemic—to access an interest-free loan of up to \$20,000, in addition to the original CEBA loan of \$40,000. Half of this additional financing would be forgivable if repaid by December 31, 2022. Additionally, the application deadline for CEBA is being extended

to December 31, 2020. Further details, including the launch date and application process will be announced in the coming days. An attestation of the impact of COVID-19 on the business will be required to access the additional financing.

Quotes

“Canadian businesses and workers have shown tremendous resilience in adapting to the challenges posed by the global pandemic. With the country now in the second wave of this virus, our government knows businesses and workers need continued support. We were there to help businesses when the COVID-19 pandemic began, and we will continue to give them the support they need. As we get through this difficult situation, we will keep taking action to support our businesses, protect jobs, and keep Canadians safe and healthy.”

- The Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance

“From the very beginning of this pandemic, we spent every single day listening to business owners and responding to their urgent needs. Today’s changes are a direct result of those crucial conversations, and will help even more Canadian business owners, entrepreneurs, and workers across the country. In the weeks and months ahead, we will continue to have their backs.”

- The Hon. Mary Ng, Minister of Small Business, Export Promotion and International Trade

Quick facts

- The government intends to introduce legislation to implement the new rent subsidy and the wage subsidy extension in the near future.
- Since its launch, over 3.7 million Canadians have had their jobs supported through the Canada Emergency Wage Subsidy, with more than \$41 billion paid out in subsidies as of October 4, 2020.
- Small- and medium-sized businesses are strongly represented in sectors like tourism and transportation, which continue to be significantly affected by the virus and the measures taken to contain it.
- As of early October, the Government of Canada has delivered over \$1.8 billion in rent support, through the Canada Emergency Commercial Rent Assistance (CECRA) for small businesses. Rent assistance has helped over 130,000 small businesses, supporting 1.18 million jobs in Canada.
- The new rent subsidy would pick up where the previous program left off, delivering direct, targeted, and accessible rent support to qualifying organizations affected by COVID-19 without the need to work through their landlords. It would provide a subsidy for eligible fixed property expenses, including rent and interest on commercial mortgages. Program parameters announced today apply until December 19, 2020 with future parameters in 2021 to be adapted and targeted as needed.
- Launched in April, CEBA provides zero-interest, partially forgivable loans to small businesses that have experienced diminished revenues due to COVID-19 but face ongoing costs, such as rent, utilities,

insurance, taxes and employment costs. By assisting these businesses in covering their costs, CEBA is intended to help them resume normal business operations after COVID-19.

- The additional CEBA loan would effectively increase CEBA loans to \$60,000 from \$40,000 for eligible businesses, of which a total of \$20,000 would be forgiven if the balance of the loan is repaid before December 31, 2022. An attestation of the impact of COVID-19 on the business will be required to access the additional financing.
- As of early October, over 765,000 CEBA loans have been approved, representing more than \$30 billion.

Associated links

- [Canada's COVID-19 Economic Response Plan](#)
- [DPM remarks - October 9, 2020](#)
- [Backgrounder: Extending the Canada Emergency Wage Subsidy](#)

Contacts

Media may contact:

Katherine Cuplinskas
Press Secretary
Deputy Prime Minister's Office
Katherine.Cuplinskas@dpmo-cvpm.gc.ca

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Date modified:

2020-10-14

This is **Exhibit “I”** to the
Affidavit of Antonio Conforti
Sworn on October 21, 2020.

DocuSigned by:

A927328446B742A...

A Commissioner, etc.

DIP FACILITY TERM SHEET

Dated as of October 20, 2020

Whereas Conforti Holdings Limited (the “**Borrower**”), a corporation formed under the laws of the Province of Ontario, has filed a Notice of Intention to Make a Proposal on September 28, 2020 (the “**Filing Date**”) under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) (the “**NOI Proceedings**”).

And whereas the Borrower intends to seek relief under the BIA from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) pursuant to an order (the “**Initial Order**”) to be sought at a hearing scheduled for October 26, 2020, providing for, among other things, approval of this Term Sheet, the granting of certain priority charges, the approval of the first report of the Proposal Trustee (as defined below), and an extension of the time to file a proposal under the BIA.

In connection with the NOI Proceedings, the Borrower has requested, and the Lender is prepared to offer to the Borrower the DIP Facility and provide interim financing to be used by the Borrower for the purposes and on the terms and conditions set out in this Term Sheet.

Definitions: Capitalized terms not otherwise defined herein shall have the meanings given to them on Schedule “A” hereto.

Borrower: Conforti Holdings Limited (the “**Borrower**”)

Lender: Antonio Conforti (the “**Lender**”)

DIP Facility: A revolving credit facility in favour of the Borrower (the “**DIP Facility**”) in the aggregate principal amount not to exceed \$500,000 (“**Maximum Amount**”), which will be available until the Maturity Date.

Availability: Subject to compliance with the terms hereof including satisfaction and performance of conditions precedent to Advances, the DIP Facility will be available upon the granting of the Initial Order.

Purpose: Advances under the DIP Facility (“**Advances**”) shall only be used in accordance with the cash flow forecast approved by the Proposal Trustee and the Lender and filed in the NOI Proceedings (the “**Cash Flow Forecast**”), for the following purposes:

(i) for working capital and general corporate purposes of the Borrower during the NOI Proceedings, all as provided in the Cash Flow Forecast; and

(ii) to fund the costs and professional fees incurred in connection with the NOI Proceedings in accordance with

the Cash Flow Forecast.

Interest Rate:

The Borrower shall pay the Lender interest (“**Interest**”) on all Obligations from time to time owing hereunder from the date such Obligation arises at the rate of **10%** per annum payable in cash monthly in arrears on the first (1st) Business Day of each calendar month until the Obligations have been indefeasibly been repaid in full.

For the purpose of the *Interest Act* (Canada), the yearly rate of interest applicable to amounts owing under the DIP Facility will be calculated on the basis of a 365-day year and actual days elapsed.

Repayment and Maturity:

The DIP Facility shall be repaid on the earlier of (such earlier date, the “**Maturity Date**”):

- (i) March 28, 2020 (or such later date as may be agreed to in writing by the Lender, in its sole discretion);
- (ii) the implementation of a proposal within the NOI Proceedings which has been approved by the Borrower’s creditors, the Court and the Lender;
- (iii) the date on which the Initial Order expires without being extended, supplemented, or restated, or on which the NOI Proceedings are terminated or dismissed; and
- (iv) the occurrence of an Event of Default.

The commitment in respect of the DIP Facility shall expire on the Maturity Date and all Advances and all other amounts outstanding under the DIP Facility and the DIP Credit Documentation (collectively, the “**Obligations**”) shall be repaid in full on the Maturity Date without the Lender being required to make demand upon the Borrower or to give notice that the DIP Facility has expired and the Obligations are due and payable, subject to any Order of the Court.

Mandatory Repayments:

1. Unless otherwise agreed by the Lender, the Borrower shall make the following mandatory prepayments of the outstanding principal amount of the Advances, if any, at the time of receipt of the net cash proceeds described below (subject in each case to payment or reserves for Court Ordered Charges, taxes and payment of Permitted Priority Liens):
 - (a) Prepayments in an amount equal to (i) 100% of the net cash proceeds received from the incurrence of indebtedness by the Borrower [or any of its affiliates] which, for greater certainty, may only be incurred with

the consent of the Lender, and (ii), 100% of the net cash proceeds received from the sale or issuance of any equity interests (as such term is used or defined in any applicable securities laws); and

- (b) Prepayments in an amount equal to 100% of the net cash proceeds from the receipt of any extraordinary income or receipts (including, without limitation, insurance proceeds (excluding business interruption, workers compensation or liability insurance), tax refunds and similar receipts outside of the ordinary course) by the Borrower [or any of its affiliates]; and
- (c) Prepayments in an amount equal to 100% of the net cash proceeds of any sale or other disposition by the Borrower [or any of its affiliates] of any of its assets other than inventory in the ordinary course of business.

2. All net cash proceeds payable to the Lender from any of the events described above shall be applied, except as otherwise agreed to by the Lender in writing, as follows:

- (a) firstly, to pay the professional fees and disbursements of the Proposal Trustee and Borrower's counsel up to a maximum amount of \$100,000;
- (b) secondly, to pay accrued and unpaid Interest on the Obligations under the DIP Facility; and
- (c) thirdly, to repay any principal amounts outstanding in respect of the DIP Facility.

Any repayment of principal hereunder may be re-borrowed pursuant to an Advance under the DIP Facility provided that (i) all conditions precedent to Advances have and continue to be satisfied at the time of the Advance request; (ii) no Event of Default or Pending Event of Default has occurred and is continuing; and (iii) at no time shall the Obligations outstanding under the DIP Facility exceed the Maximum Amount.

**Optional
Prepayment:**

The DIP Facility may be repaid in whole or in part at any time without notice or penalty.

DIP Security:

All Obligations of the Borrower under or in connection with the DIP Facility and any of the DIP Credit Documentation shall be secured by a first ranking priority charge limited to the amount of \$500,000 pursuant to an Order of the Court over all assets, undertakings and property (including all present and after-acquired real and personal property) of the Borrower of any kind or nature whatsoever and wheresoever situate in favour of the

Lender in priority to all other assignments, trusts, security interests, pledges, hypothecs, liens, charges, mortgages and encumbrances whatsoever, statutory or otherwise, without the need for any further loan or security documentation or any filings or registrations in any public register or system (the “**Lender’s Charge**”).

The Obligations of the Borrower consisting of the professional fees and disbursements of the Proposal Trustee and Borrower’s counsel in connection with the NOI Proceedings and the DIP Facility shall be secured by a second ranking priority charge limited to the amount of \$250,000 pursuant to an Order of the Court over all assets, undertakings and property (including all present and after-acquired real and personal property) of the Borrower of any kind or nature whatsoever and wheresoever situate (the “**Administration Charge**”) without the need for any further loan or security documentation or any filings or registrations in any public register or system.

The obligations of the Borrower to indemnify its directors and officers for all claims, costs, charges and expenses incurred by them in their respective capacities as directors or officers of the Borrower, including without limitation, director’s claims for unremitted source deductions, Canada Pension Plan or employment insurance or other source deductions for income tax or amounts accrued in respect of employee wages and salaries accrued during or in connection with the NOI Proceedings (the “**D&O Liabilities**”) shall be secured by a third ranking priority charge limited to the aggregate amount of \$100,000 pursuant to an Order of the Court over all assets, undertakings and property (including all present and after-acquired real and personal property) of the Borrower of any kind or nature whatsoever and wheresoever situate (the “**D&O Charge**”) without the need for any further loan or security documentation or any filings or registrations in any public register or system.

The Lender’s Charge, Administration Charge and D&O Charge are collectively the “**Court Ordered Charges**”.

**Conditions
Precedent to
Advances:**

The Lender’s obligation to make any DIP Advance hereunder is subject to, and conditional upon, all of the following conditions precedent being satisfied at the time each such DIP Advance is requested by the Borrower to be made:

1. The Borrower shall have commenced the NOI Proceedings.
2. The Initial Order shall have been entered by the Court authorizing and approving the DIP Facility and granting the Court Ordered Charges, shall be in full force and effect, and

shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect materially adversely affecting the Lender, unless otherwise agreed by the Lender, in its sole discretion.

3. There shall not exist any continuing Event of Default or Pending Event of Default as hereinafter defined (including any Event of Default or Pending Event of Default that would result from making the DIP Advance).
4. Other than the NOI Proceedings and any other litigation proceedings pending as of September 28, 2020, there shall not exist in respect of the Borrower any action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or governmental authority which is not stayed.
5. The Borrower shall have complied and is complying in all material respects with all applicable laws, regulations and policies in relation to its business, except to the extent stayed or excused under applicable provisions of the BIA or any Order of the Court.
6. There shall be no Liens ranking ahead of the Lender's Charge, the Administrative Charge and the D&O Charge, respectively, except for Permitted Priority Liens arising by operation of law in the ordinary course of business without any contractual grant of security.
7. The Lender shall have approved the Cash Flow Forecast.
8. All amounts due and owing to the Lender at the time of an Advance shall have been paid or shall be paid from the requested Advance.
9. No event has occurred, or fact or circumstance exists in respect of the Borrower's operations, business, assets and undertaking that in the Lender's opinion, acting reasonably, would adversely affect the Lender's rights or interests.

**Affirmative
Covenants:**

The Borrower covenants and agrees to do the following

1. Comply with the terms of the Orders of the Court, and any other Court orders issued in connection with the NOI Proceedings.
2. Allow the Lender and its financial advisor(s) (the "DIP Advisors") full access to the books and records of the Borrower on reasonable notice and during normal business hours and cause management thereof to fully co-operate with all reasonable requests of the DIP Advisors.

3. Provide to the Lender an oral or brief confidential written weekly status update and plan regarding the restructuring process and all material information and developments with respect to the activities and affairs of the Borrower (including any information pertaining to affiliates of the Borrower);
4. Use the proceeds of the DIP Facility only for the purposes set out herein.
5. Maintain all cash and cash equivalents, and deposit all proceeds of receivables of the Borrower in the Borrower's Accounts, unless otherwise agreed by the Lender.
6. Forthwith notify the Lender and DIP Advisors of the occurrence of any Event of Default or Pending Event of Default, or of any event or circumstance that may constitute a material adverse change from the Cash Flow Forecast.
7. Duly and punctually pay or cause to be paid to the Lender all principal and interest payable by it under this Term Sheet and any other DIP Credit Documentation on the dates, at the places and in the amounts and manner set forth therein.
8. Comply with all applicable laws, rules and regulations applicable to its business; and
9. Pay when due any Priority Payables or otherwise provide confirmation satisfactory to the Lender that payment arrangements satisfactory to the Lender have been made by the Borrower to pay all Priority Payables.

**Negative
Covenants:**

The Borrower covenants and agrees, and covenants and agrees to cause its affiliates, not to do the following other than with the prior written consent of the Lender:

1. Transfer, lease or otherwise dispose of all or any part of its assets outside the ordinary course of business, except for sales of inventory in the ordinary course of business.
2. Except as permitted hereunder or under the Initial Order, make any payment, without the consent of the Lender, of any existing indebtedness existing as of the date of the Initial Order (the "**Pre-Filing Date**") or declare or pay any dividends or distributions of any kind except as contemplated by the Cash Flow Forecast.

3. Create or permit to exist indebtedness for borrowed money other than existing (Pre-Filing Date) debt and debt contemplated by this DIP Facility.
4. Enter into or amend any material transaction, agreement, contract, guarantee, or arrangement of any kind or nature outside the ordinary course of business, or make any payments, except for those transactions, agreements, contracts, arrangements or payments which are contemplated by the Cash Flow Forecast, as approved by the Lender.
5. Make any investments in or loans to or guarantee the debts or obligations of any other person or entity or permit any of its affiliates to do so.
6. Present, seek the approval of, or agree to any proposal without prior written consent of the Lender;
7. Create or permit to exist any Liens on any of its properties or assets other than the Court Ordered Charges and Permitted Priority Liens.
8. Amalgamate, consolidate with, or merge into, or enter into any similar transaction with any other entity.
9. Amend its articles or take any action to cause the dissolution of the Borrower.
10. Seek or obtain any Order of the Court that materially adversely affects the Lender, except with the prior written consent of the Lender.

Events of Default:

The occurrence of any one or more of the following events shall constitute an event of default ("Event of Default") under this Term Sheet:

- (a) Failure of the Borrower to pay any amount of principal, interest, or other amounts when due under this Term Sheet or any other DIP Credit Documentation;
- (b) A breach by the Borrower in the observance or performance of any non-financial covenant (affirmative or negative) or agreement contained in this Term Sheet or other DIP Credit Documentation and such breach shall continue unremedied for more than five (5) Business Days after the Borrower becomes aware of such breach (or such other period as may be mutually agreed);
- (c) Any representation or warranty by the Borrower made herein or in any document issued pursuant hereto, or any certificate

delivered pursuant thereto on the part of the Borrower shall, in Lender's determination acting reasonably, be incorrect or misleading in any material respect when made;

- (d) (i) The Initial Order or any other Order of the Court is reversed, stayed, dismissed, vacated, or varied without the consent of the Lender or any other order is made without the consent of the Lender which is or may be prejudicial to the Lender's interests, acting reasonably; (ii) the Initial Order or any other Order of the Court is appealed or leave to appeal is granted; (iii) the stay of proceedings imposed pursuant to the BIA is lifted or if the Borrower is adjudged, assigned, or deemed to have made an assignment into bankruptcy; (iv) the Borrower fails to diligently oppose any party that brings an application or motion for the relief set out in (i) to (iii) above or which otherwise challenges the NOI Proceedings, the DIP Facility, the DIP Credit Documentation, or the Court Ordered Charges, and the Borrower fails to secure the dismissal of such motion or application within 10 days from the date that such application or motion is brought;
- (e) The Lender determines, in its sole discretion, acting reasonably, that a material adverse change has occurred after the date hereof in respect of the business, affairs or financial condition of the Borrower;
- (f) A proposal is presented by the Borrower or sanctioned by the Court in a form and in substance that is contrary to the terms of this Term Sheet or the other DIP Credit Documentation in a manner that is adverse to the interests of the Lender or would reasonably be expected to adversely affect the Lender, unless the Lender has consented thereto or unless it provides for repayment in full of all Obligations under this Agreement;
- (g) There occurs a sale, assignment, transfer, lease, or other disposition of all or any part of Borrower's property, assets, or undertaking, without the prior written consent of the Lender, excluding transfers, leases and dispositions in the ordinary course of business;
- (h) The Borrower fails to comply with an Order of the Court; and
- (i) The Borrower ceases or threatens to cease to carry on business in the ordinary course.

Remedies:

Upon the occurrence of an Event of Default, the Lender may, upon three (3) Business Days' prior written notice to the Borrower and the Proposal Trustee:

- (i) cease making Advances to the Borrower (whether with or without a demand for payment),
- (ii) terminate the DIP Facility and declare all amounts outstanding under the DIP Facility as immediately due and payable,
- (iii) apply to the Court (i) for the appointment of an interim receiver or a receiver and manager of the undertaking, property and assets of the Borrower, (ii) for the appointment of a trustee in bankruptcy of the Borrower, (iii) to seek other relief, and (iv) to exercise any remedies provided under the Orders of the Court and the DIP Credit Documentation,
- (iv) exercise the powers and rights of a secured party under the *Personal Property Security Act (Ontario)* or any legislation of similar effect applicable to the Court Ordered Charges, and
- (v) exercise all such other rights and remedies of the Lender under the DIP Credit Documentation, the Orders of the Court, and applicable law or equity.

Further Assurances:

The Borrower shall at its expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Lender may reasonably request for the purpose of giving effect to this Term Sheet and the Court Ordered Charges, perfecting, protecting and maintaining the Liens created by the Court Ordered Charges or establishing compliance with the conditions of this Term Sheet or any other DIP Credit Documentation.

Currency:

Unless otherwise specified herein, all references to dollar amounts (without further description) shall mean Canadian Dollars.

Entire Agreement:

This Term Sheet and the DIP Credit Documentation, constitute the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this Term Sheet and any of the other DIP Credit Documentation, this Term Sheet shall govern.

Amendments, Waivers, Etc.:

No waiver or delay on the part of the Lender in exercising any right or privilege hereunder or under any other DIP Credit Documentation will operate as a waiver hereof or thereof unless made in writing and signed by an authorized officer of the Lender. Any consent to be provided by the Lender shall be granted or

withheld solely in its capacity as and having regard to its interests as Lender.

This Term Sheet may be amended by a written instrument signed by all of the parties, and approved by the Proposal Trustee.

Assignment:

The Lender may assign this Term Sheet and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights and obligations hereunder to any party acceptable to the Lender in its sole and absolute discretion (subject to providing the Borrower and the Proposal Trustee with reasonable evidence that such assignee has the financial capacity to fulfill the obligations of the Lender hereunder). Neither this Term Sheet nor any right and obligation hereunder may be assigned by the Borrower. The Borrower hereby consents to the disclosure of any confidential information in respect of the Borrower to any potential assignee provided such potential assignee agrees in writing to keep such information confidential.

Severability:

Any provision in any DIP Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Counterparts and Electronic Signatures:

This Term Sheet may be executed in counterparts including by electronic signature, and may be delivered by facsimile and e-mail transmission. All counterparts when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Term Sheet by signing any counterpart of it.

Governing Law and Jurisdiction:

This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS HEREOF, the parties hereby execute this Term Sheet as of the date first written above.

CONFORTI HOLDINGS LIMITED

By

Name: ANTONIO CONFORTI

Title: PRESIDENT

Witness Name:

ANTONIO CONFORTI

SCHEDULE “A”

Additional Definitions

“Borrower’s Accounts” means the bank accounts designated by the Borrower at a financial institution approved by the Lender.

“Business Day” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Toronto, Ontario, Canada.

“DIP Credit Documentation” means this Term Sheet, the Orders of the Court, and any other definitive documentation in respect of the DIP Facility that are in form and substance satisfactory to the Lender.

“Liens” means all mortgages, pledges, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever.

“Orders of the Court” means any order of the Court (or other court of competent jurisdiction) made in or ancillary to the NOI Proceedings, including without limitation the Initial Order, all as supplemented, amended and restated.

“Pending Event of Default” means an event that, but for the requirement for the giving of notice, lapse of time, or both, would constitute an Event of Default.

“Permitted Priority Liens” means: (i) specific purchase- money security interests or capital leases; (ii) statutory superpriority deemed trusts and liens for unpaid employee source deductions; (iii) liens for unpaid municipal property taxes or utilities that are given first priority over other liens by statute; and (iv) such other permitted liens as may be agreed to in writing by the Lender.

“Priority Payables” means a claim or Lien pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to or *pari passu* with the Lender’s Charge in any jurisdiction or otherwise in priority to any claim for the repayment of any amount owing under the DIP Facility, including without limitation, all amounts owing to any federal, provincial, municipal or other government entity or Crown corporation, all statutory, actual or deemed trusts, all withholdings and source deductions, all accrued and unpaid payroll and employee claims, including vacation pay, and all amounts owing to any person having a Lien, encumbrance, trust or charge ranking in priority to the Lender’s Charge.

“Proposal Trustee” means Crowe Soberman Inc. in its capacity as proposal trustee for the NOI Proceedings.

TAB 3

District: Ontario
Division No. 09-Toronto
Court No. 31-2675583
Estate No. 31-2675583

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED**

ORDER (Priority Charges and Stay Extension)

THIS MOTION, made by Conforti Holdings Limited (“**Conforti**”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) for an order, among other things, (i) approving a debtor-in-possession (“**DIP**”) term sheet, a DIP loan, and authorizing Conforti to borrow up to \$500,000; (ii) granting a charge in favour of the DIP lender, an administrative charge in favour of Crowe Soberman Inc., in its capacity as proposal trustee of Conforti (the “**Proposal Trustee**”), counsel to the Proposal Trustee, and counsel to Conforti, and a charge in favour of Conforti’s officers and directors; (iii) approving the first report of the Proposal Trustee, dated October ●, 2020 (the “**First Report**”), and the conduct and activities of the Proposal Trustee as described therein; and (iv) extending the time for Conforti to file a proposal from October 28, 2020 to December 14, 2020, was heard this day by videoconference due to the COVID-19 pandemic.

ON READING Conforti's notice of motion, the affidavit of Antonio Conforti, sworn October 21, 2020, and the First Report, and on hearing the submissions of counsel for Conforti and counsel for the Proposal Trustee, and counsel for those other parties appearing as indicated by

the counsel slip, no one appearing for any other party although duly served as appears from the affidavit of service, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the notice of motion and the motion record (including service of the First Report) be and is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

DIP FINANCING

2. **THIS COURT ORDERS** that Conforti is hereby authorized and empowered to obtain and borrow under a credit facility (the "**DIP Loan**") from Antonio Conforti (in such capacity, the "**DIP Lender**") in order to finance Conforti's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$500,000.

3. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between Conforti and the DIP Lender, dated as of October 20, 2020 (the "**DIP Term Sheet**"), filed.

4. **THIS COURT ORDERS** that Conforti is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and Conforti is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

5. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on all of the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"), which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 14 and 16 hereof.

6. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- a. the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- b. upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon three Business Days' (as that term is defined in the DIP Term Sheet) notice to Conforti and the Proposal Trustee, may exercise any and all of its rights and remedies against Conforti or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to Conforti and set off and/or consolidate any amounts owing by the DIP Lender to Conforti against the obligations of Conforti to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against Conforti and for the appointment of a trustee in bankruptcy of Conforti; and

c. the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of Conforti or the Property.

7. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any proposal filed by Conforti under the BIA with respect to any advances made under the Definitive Documents.

ADMINISTRATION CHARGE

8. **THIS COURT ORDERS** that the Proposal Trustee, Goldman Sloan Nash & Haber LLP as counsel to the Proposal Trustee, and Miller Thomson LLP as counsel to Conforti (collectively, the **“Professional Group”**), shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by Conforti as part of the costs of these proceedings both before and after the making of this Order in respect of these proceedings and related matters. Conforti is hereby authorized to pay the accounts of the Professional Group on a monthly basis.

9. **THIS COURT ORDERS** that the Professional Group shall pass their accounts from time to time, and for this purpose, the accounts of the Professional Group are hereby referred to a judge of the Ontario Superior Court of Justice (Commercial List) at Toronto, Ontario.

10. **THIS COURT ORDERS** that the Professional Group shall be entitled to the benefit of and are hereby granted a charge (the **“Administration Charge”**) on the Property which charge shall not exceed an aggregate amount of \$250,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Professional Group, both before and after the making of this Order with respect to and incidental to these proceedings, including the reasonable fees and disbursements of the Professional Group incurred in preparation of the filing of Conforti’s proposal pursuant to section 50 of the BIA. The Administration Charge shall have the priority set out in paragraphs 14 and 16 hereof.

DIRECTORS CHARGE

11. **THIS COURT ORDERS** that Conforti shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of Conforti after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

12. **THIS COURT ORDERS** that the directors and officers of Conforti shall be entitled to the benefit of and are hereby granted a charge (the "**Director's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for the indemnity provided in paragraph 11 of this Order. The Director's Charge shall have the priority set out in paragraphs 14 and 16 hereof.

13. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) Conforti's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts identified in accordance with paragraph 11 of this Order.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

14. **THIS COURT ORDERS** that the priorities of the DIP Lender's Charge, the Administration Charge and the Directors' Charge (collectively the "**Charges**") as among them, shall be as follows:

First – DIP Lender's Charge (to the maximum amount of \$500,000);

Second – Administration Charge (to the maximum of \$250,000); and

Third – Director's Charge (to the maximum of \$100,000)

15. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

16. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**").

17. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, Conforti shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless Conforti also obtains the prior written consent of the Proposal Trustee, the DIP Lender and the beneficiaries of the Administration Charge and the Directors' Charge, or further Order of this Court.

18. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or

other agreement (collectively, an "**Agreement**") which binds Conforti and notwithstanding any provision to the contrary in any Agreement:

- a. neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by Conforti of any Agreement to which it is a party;
- b. none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from Conforti entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- c. the payments made by Conforti pursuant to this Order, the DIP Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

19. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

APPROVAL OF FIRST REPORT

20. **THIS COURT ORDERS** that the First Report, together with the conduct and activities of the Proposal Trustee as set out therein, be and are hereby approved.

EXTENSION OF TIME TO MAKE A PROPOSAL

21. **THIS COURT ORDERS** that the time to make a proposal is delayed and extended to December 14, 2020.

OTHER

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

23. **THIS COURT ORDERS** that Conforti and the Proposal Trustee and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to Conforti's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

24. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.

25. **THIS COURT 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 Proposal Trustee 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 Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee and its agents in carrying out the terms of this Order.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED

Court File Nos.: Division No. 09-Toronto
Court No. 31-2675583 and Estate No. 31-2675583

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

ORDER
(Priority Charges and Stay Extension)

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IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
CONFORTI HOLDINGS LIMITED

Court File Nos.: Division No. 09-Toronto
Court No. 31-2675583 and Estate No. 31-2675583

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

MOTION RECORD
(RETURNABLE OCTOBER 26, 2020)

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