

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

**MOTION RECORD
(returnable Thursday July 14, 2016)**

LIPMAN, ZENER & WAXMAN LLP
Barristers and Solicitors
1220 Eglinton Avenue West
Toronto, Ontario M6C 2E3

JASON D. SPETTER (LSUC No. 46105S)
Tel.: 416-789-0652
Fax: 416-789-9015
Email: jspetter@lzwlaw.com

Lawyers for Newstart Financial Inc. and
Newstart Acceptance Inc.

TO: SERVICE LIST (attached)

SERVICE LIST
(as of July 11, 2016)

<http://dodick.ca/newstart-financial-inc-and-newstart-acceptance-inc/>

TO:	This Honourable Court	
AND TO:	<p>Lipman, Zener & Waxman LLP Barristers and Solicitors 1220 Eglinton Avenue West Toronto, Ontario M6C 2E3</p> <p>Attention: Jason D. Spetter</p> <p>Tel.: 416-789-0652 Fax: 416-789-9015</p> <p><i>Lawyers for Newstart Financial Inc. and Newstart Acceptance Inc.</i></p>	Email: jspetter@lzwlaw.com
AND TO:	<p>Dodick Landau Inc. 4646 Dufferin Street, Suite 6 Toronto, Ontario M3H 5S4</p> <p>Attention: Rahn Dodick</p> <p>Tel: 416-645-0552 Fax: 416-649-7725 www.dodick.ca</p> <p><i>Proposal Trustee</i></p>	Email: rahn.dodick@dodick.ca
AND TO:	<p>Pallett Valo LLP Lawyers & Trade-Mark Agents 77 City Centre Drive, West Tower Suite 300 Mississauga, Ontario L5M 1M5</p> <p>Attention: Alex Ilchenko Attention: Wojtek Jaskiewicz</p> <p>Tel: 905-273-3022 Fax: 905-273-6920</p> <p><i>Lawyers for the Proposal Trustee, Dodick</i></p>	<p>Email: ailchenko@pallettvalo.com</p> <p>Email: wjaskiewicz@pallettvalo.com</p>

AND TO:	Ministry of Finance Legal Services Branch 777 Bay Street, 11 th Floor Toronto, Ontario M5G2C8 Attention: Kevin O'Hara Tel: 905-433-6934 Fax: 905-436-4510	E-mail: kevin.ohara@ontario.ca
AND TO:	Department of Justice Ontario Regional Office The Exchange Tower 130 King Street West, Suite 3400 Toronto, Ontario M5X 1K6 Attention: Diane Winters Tel: 416-973-3172 Fax: 416-973-0810	E-mail: diane.winters@justice.gc.ca
AND TO:	Blaney McMurtry LLP Barristers & Solicitors 2 Queen Street East, Suite 1500 Toronto, Ontario M5C 3G5 Diane P.L. Brooks Tel: 416-593-1221 Fax: 416-593-5437 <i>Lawyers for 1455740 Ontario Ltd. and Caroline Taylor</i>	Email: dbrooks@blaney.com
AND TO:	7727640 Canada Inc. 375 Dyson Road Pickering , Ontario L1W 2N2 Ky Prusse	Email: ky.pruesse@gmail.com
AND TO:	Valova Law 603 ½ Parliament Street, Suite 302 Toronto, Ontario M4X 1P9 Attention: Alex Valova <i>Lawyers for Frank & Ausenda Afonso</i>	Email: alex@valovalaw.com

AND TO:	All Credit Auto Ltd. 710 Windmill Road Dartmouth, Nova Scotia B3B 1R3	Email: info@allcreditauto.ca
AND TO:	Andrew Reynolds 709 Merlin Court Manotick, Ontario K4M 0A1	Email: Andrew.reynolds@rogers.com
AND TO:	Argenco Inc. 35 Hills Road Ajax, Ontario L1S 2W2	Email: tonylees@sympatico.ca
AND TO:	Cathy & Roy Jeffery 56 McLean's Mountain RR #1, Box 60 Little Current, Ontario P0P 1K0	By Courier
AND TO:	Cecil Li 2306, 1320 – 1 St SE Calgary, Alberta T2G 0G8	Email: cecil.li@threestreams.com
AND TO:	Coyote Graphics Inc. 19 Chestnut Avenue Brampton, Ontario L6X 2A6	Email: dherbert@tdi-imaging.com
AND TO:	Canada Revenue Agency – Tax c/o London Taxes Services Office Division Regional Intake Centre for Insolvency 3 – 451 Talbot Street London, Ontario N6A 4R3 Fax: 519-645-5397	By Courier
AND TO:	CVC Ardelline Investments Inc. 8 – 1815 Ironstone Manor Pickering, Ontario L1E 3W9	Email: ardellini@a5capital.ca
AND TO:	Dealertrack Canada Inc. 2700 Matheson Blvd. East Tower, Suite 702 Mississauga, Ontario L4W 4V9	Email: jeremy.grafstein@dealertrack.com

AND TO:	Devry Smith Frank LLP 100 – 95 Barber Greene Road North York, Ontario M3C 3E9 Attention: James Satin	Email: james.satin@devrylaw.ca
AND TO:	Donna Wheeler 56 Montgomery Blvd. Kingston, Ontario K7M 3N6	By Courier
AND TO:	Aitchison Law Office Oshawa Centre Office Galleria 419 King Street W, Suite 185 Oshawa, Ontario L1J 2K5 Attention: James Aitchison <i>Lawyer for Durham Auto Group Ltd.</i>	Email: James.Aitchison@alolawyers.com
AND TO:	Edward Madden 466 Oakwood Drive Pickering, Ontario L1W 2M7	Email: emadden@rogers.com
AND TO:	Frank & Maria Damico 33 Patna Crescent Maple, Ontario L6A 1N6	Email: frank_damico@hotmail.com
AND TO:	Guy Whitehead 50 Upton Crescent Markham, Ontario L3R 3T4	By Courier
AND TO:	Harvey & Lorraine Witty 14966 Duffy's Lane Caledon, Ontario L7E 3B8	Email: wittylorraine@gmail.com
AND TO:	Iris Ernst Bieri 1420 Joannis Road Clarence Creek, Ontario K0A 1N0	Email: ibieri@ymail.com
AND TO:	James (Jim) Seeley 987 Auden Park Drive Kingston, Ontario K7M 7T9	Email: jseeleyking@yahoo.ca
AND TO:	Jasmine Meng 92 Treasure Road Maple, Ontario L6A 2Z9	Email: mengjunli@gmail.com

AND TO:	Phillipe & Jean Louis Gagnon 1483 Route 133 Grand Barachois, New Brunswick E4P 8C9	Email: 4philgagnon@gmail.com
AND TO:	John Sweet & Jacqueline Gauthier 280 Sutherland Drive Toronto, Ontario M4G 1J3	Email: johnsweet@rogers.com
AND TO:	Jurgen Mack 1171 Gerrard Street East Toronto, Ontario M4L 1Y3	Email: jurgenmack@yahoo.ca
AND TO:	Larmar Holdings Inc. 1730 McPherson Court, Unit 14 Pickering, Ontario L1W 3E6	Email: cleansalesinc@gmail.com
AND TO:	Lucy Wieland 811 – 1950 Kennedy Road Toronto, Ontario M1P 4S9	Email: halsey234@gmail.com
AND TO:	Michael & Marsha Bukata 14 Doon Drive, Unit 10 London, Ontario N5X 3P2	By Courier
AND TO:	Modern Para Aluminum Sales Inc. 419 – 4005 Bayview Avenue Toronto, Ontario M2M 3Z9 Attention: Milton Nash	Email: 1313zaide@gmail.com
AND TO:	Moenes Salib 606 Amberwood Crescent Pickering, Ontario L1V 3T9	Email: msalib@newstartcanada.ca
AND TO:	Nelson Christo 1265 Abbey Road Pickering, Ontario L1X 1W4	Email: nchristo15@hotmail.com
AND TO:	Ontario Motor Vehicle Industry Council 65 Overlead Blvd., Suite 300 Toronto, Ontario M4H 1P1 Attention: Brian Osler	Email: brian.osler@omvic.on.ca

AND TO:	Peter J. Larcombe 75 Ardill Crescent Aurora, Ontario L4G 5S5	Email: peter@carboards.ca
AND TO:	Petro Canada Suncor Energy 2489 North Sheridan Way Mississauga, Ontario L5K 1A8	By Courier
AND TO:	Pitney Works P.O. Box 280 Orangeville, Ontario L9W 2Z7	By Courier
AND TO:	Robert Fraser 24 Garden Avenue Brampton, Ontario L6X 1M5	Email: frasermf@rogers.com
AND TO:	Robert Shortlander 379 Dyson Road Pickering, Ontario L1W 2N2	Email: bertssolutionsinc@gmail.com
AND TO:	Robin Korman 49 Spring Gate Blvd. Thornhill, Ontario L4J 3C9	Email: robinkorman@yahoo.ca
AND TO:	Shred-It 6 Curity Avenue Toronto, Ontario M4B 1X2	By Courier
ANDTO:	Timothy Pompeo 23A Oak Street North York, Ontario M9N 0A4	Email: t.pompeo@rogers.com
AND TO:	Workplace Safety and Insurance Board c/o Collection Services 200 Front Street West Toronto, Ontario M5V 3J1 Fax: 905-521-4203	By Courier

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IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
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INDEX

TAB	DOCUMENT	PAGE NO.
1.	Notice of Motion returnable July 14, 2016	1-4
2.	Affidavit of David Baker sworn July 11, 2016	5-10
A.	Trust Agreement dated August 2, 2007	11
B.	PPSA Registration Chart	13-30
C.	NFI Creditor List	31-38
D.	PPSA Search	39-40
E.	Order of Justice Conway dated May 27, 2016	41-55
F.	Second Extension Cash Flow Forecast	56-59
3.	Draft Order	60-62

Court File No. 31-2117950

**ONTARIO
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IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

NOTICE OF MOTION

Newstart Financial Inc. (“NFI”) and Newstart Acceptance Inc. (“NAI”) (NFI and NAI collectively referred to as “Newstart”) will make a Motion before a Judge sitting on the Commercial List to be heard on **Thursday July 14, 2016** at 10:00 a.m. or as soon after that time as the Motion can be heard at the Court House, 330 University Avenue, Toronto, Ontario, M5G 1E6.

PROPOSED METHOD OF HEARING: The motion is to be heard

in writing under subrule 37.12.1 (1) because it is (insert one of on consent, unopposed or made without notice);

in writing as an opposed motion under subrule 37.12.1 (4);

orally.

THE MOTION IS FOR:

1. If necessary, abridging the time for service and filing of the Notice of Motion, the Motion Record and the Second Report of the Dodick Landau Inc., the Proposal Trustee (the “**Proposal**”

Trustee") dated July 11, 2016 (the "**Second Report**") and dispensing with service on any other person other than those served;

2. Extending the time for filing a proposal, and extending the stay of proceedings granting upon the filing on May 2, 2016 (the "**Filing Date**") of a Notice of Intention to Make a Proposal (the "**NOI**"), for a period of forty-five (45) days, to and including August 30, 2016;

3. Reporting on the status of the sale and investment solicitation process (the "**SISP**") and approved by the Order of the Honourable Justice Conway dated May 27, 2016 (the "**First Extension and Sale Approval Order**") and undertaken by the Proposal Trustee with the assistance of Newstart; and

4. such further and other relief as to the Proposal Trustee may request and this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. Newstart's insolvency has been caused by a number of factors including but not limited to the inability of Newstart to attract capital at a lower cost, not having sufficient funding to grow the receivables portfolio to a large enough size to cover the basic operating costs of the business and a number of investors requesting the return of their invested capital. As a result of these issues, Newstart has faced a liquidity crisis which has made it impossible to maintain its obligations to its creditors.


2. On May 2, 2016, Newstart filed NOIs. Pursuant to the *Bankruptcy and Insolvency Act*, all proceedings against Newstart were stayed for 30 days;

Extension of Time:

3. On May 27, 2016 the First Extension and Sale Approval Order was granted extending the stay of proceedings until July 16, 2016;

4. Newstart has acted and continues to act in good faith and with due diligence in seeking to restructure its affairs after the date of the filing of the NOI;

DATED: July 11, 2016



LIPMAN, ZENER & WAXMAN LLP
Barristers & Solicitors
1220 Eglinton Avenue West
Toronto, Ontario
M6C 2E3

JASON D. SPETTER
Law Society Registration No. 46105S

Tel: 416-789-0652
Fax: 416-789-9015
Email: jspetter@lzwlaw.com

Lawyers for Newstart Financial Inc. and
Newstart Acceptance Inc.

5. An extension of the stay to August 30, 2016 would provide the Proposal Trustee, with Newstart's assistance, the necessary time to implement the SISP and complete a transaction with a view to making a successful proposal to its creditors;
6. An extension of the stay will substantially enhance a likelihood of Newstart making a viable proposal to its creditors;
7. No creditor would be materially prejudiced if the extension of the stay were granted;
8. As contained on the Affidavit of David Baker sworn July 11, 2016 and the exhibits annexed thereto;
9. Sections 50.4(9), 50.6 and 64.2 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended;
10. Rules 1.04, 2.03, 3.02, 16.04 and 37 of the *Rules of Civil Procedure*, RRO 1990, Reg. 194, as amended;
11. The inherent and equitable jurisdiction of this Honourable Court;
12. Other grounds as described in the Affidavit of David Baker and Second Report; and
13. Such further and other relief as counsel may advise and this Honourable Court may permit.

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

1. The Second Report of the Proposal Trustee dated July 11, 2016 and appendices annexed thereto.
2. Such further and other material as counsel may produce and this Honorable Court may permit

Court File No. 31-2117950

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AFFIDAVIT OF DAVID BAKER

I, **DAVID BAKER**, of the City of Pickering, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am the President, sole director and shareholder of Newstart Financial Inc. ("**NFI**") and Newstart Acceptance Inc. ("**NAI**") (NFI and NAI shall collectively be referred to as "**Newstart**"). Where I do not have personal knowledge, I have indicated the source of my information and do verily believe such information to be true. Where correspondence is adopted as an exhibit, I do verily believe the information contained therein and that it was sent and received on the date(s) indicated.

I. Relief Sought

2. This Affidavit is sworn in support of a motion for an Order:

- (a) abridging the time for service and filing of the Notice of Motion, the Motion Record and the Second Report of Dodick Landau Inc. (the "**Proposal Trustee**") dated July 8, 2016 (the "**Second Report**") and dispensing with service on any other person other than those served; and
- (b) extending the time for filing a proposal, and extending the stay of proceedings granted upon the filing on May 2, 2016 (the "**Filing Date**") of a Notice of Intention to Make a Proposal (the "**NOI**"), and extended by the Order of the

Honourable Justice Conway dated May 27, 2016 (the “**First Extension and Sale Process Approval Order**”), for a period of forty-five (45) days, to and including August 30, 2016.

II. Overview, Business Operations and Corporate Structure

A. Overview of the Businesses:

NFI:

3. NFI provides automobile financing to customers in the subprime market. The vehicles are leased through NFI and NFI manages all aspects of the leasing process.

4. NFI currently employs four people, including our bookkeeper, two collectors and me. NFI currently has approximately 636 vehicles under lease and 42 leases have been terminated since the NOI was filed. Of the leases that were terminated, 22 were at the end of term, 19 were early buyouts and 1 was repossessed.

NAI:

5. NAI is in the business of collecting distressed receivables. When vehicles subject to lease contracts through NFI are repossessed, the vehicles are sold to independent dealers or other third parties. In most cases, there will be a shortfall on the lease or financing contract and that receivable is sold to NAI on a percentage basis. NAI had also purchased two small distressed portfolios of consumer receivables.

6. NAI does not have any employees. Prior to the filing of the NOI, it outsourced its collection function to third parties on a commission basis. There are no current engagements to collect NAI’s outstanding receivables.

B. Assets:

NFI:

7. NFI’s primary assets are its lease receivables from its customers as well as the vehicles that are the subject of those leases. Title to the vehicles are held in trust by 1353974 Ontario Inc.

(“135”) for NFI and NFI provides all funding for the vehicles. 135 is wholly owned by NFI and holds a vehicle dealer license. A copy of Trust Agreement dated August 2, 2007 is attached hereto as **Exhibit “A”**.

NAI:

8. NAI’s only assets are the distressed leases and loan receivables it purchased from NFI and two third parties. The amounts owing under those leases and loans aggregate in the range of \$22-million ranging from current to dating back 15 years. According to NAI’s balance sheet, the total net book value of these receivables is approximately \$121,000.00 as at July 31, 2015.

C. Secured Indebtedness:

NFI:

9. Attached hereto as **Exhibit “B”** to this my Affidavit is a chart setting out the list of secured creditors of NFI in order of registration under the PPSA.

10. NFI raised funds from a group of approximately 30 sophisticated investors. As security for their investments, the investors received promissory notes as well as security over a specific list of vehicles. Many of the investors have been investing in NFI for 5 to 7 years.

11. Attached hereto as **Exhibit “C”** is a copy of NFI’s Creditor List which is attached to the NOI. The total amount owing to all creditors is \$6,693,172.75 as at the Filing Date but the breakdown of secured versus unsecured debt has yet to be finalized.

NAI:

12. NAI has no secured creditors. Attached hereto as **Exhibit “D”** is a search from the Ontario Personal Property Registration System which confirms that there are no registrations against the said company.

III. Overview of Restructing Plan and SISP

13. The paramount goal of Newstart is to preserve, maximize and realize value for the benefit of all stakeholders through a refinancing, recapitalization or sale of Newstart’s business.

14. On May 27, 2016 this Court granted the First Extension and Sale Process Approval Order approving among other things:

- (a) An extension of time for filing a proposal up to and including July 16, 2016;
- (b) Approving a sale and investment solicitation process (the “SISP”) to be undertaken by the Proposal Trustee with the assistance of Newstart’s management.

A copy of the First Extension and Sale Process Approval Order is attached hereto as **Exhibit “E”**.

15. The purpose of the SISP is to identify one or more financiers, purchasers or investors in Newstart’s business with a projected completion date of a transaction or transactions by the end of September 2016.

16. A chart summarizing the important dates for the SISP is set out below:

Sale Process Procedures	Date
Complete solicitation of potential purchasers/investors by	June 24, 2016
Due diligence completed by	July 22, 2016
Offer deadline	August 2, 2016
Identification of successful offer	August 5, 2016
Hold meeting of creditors to vote on Proposal by	August 31, 2016
Obtain Court approval of Proposal by	September 16, 2016
Closing(s) by	September 30, 2016

17. In accordance with the SISP the Proposal Trustee, with Newstart’s assistance, has taken the following steps subsequent to the date of the First Extension and Sale Process Approval Order:

- (a) Identified prospective strategic and financial purchasers/investors;
- (b) Prepared and distributed a “teaser” documents to 55 recipients;
- (c) Created a Confidential Information Memorandum;
- (d) Established a virtual data room and placed 22 documents on the site for review by interested parties who have executed a confidentiality agreement;
- (e) Placed calls to certain prospective purchasers/inventors who have been identified

as strong acquisition or investment candidates; and

(f) Answered due diligence from interested parties.

IV. Cash Flow Forecast

18. Newstart has worked with the Proposal Trustee to prepare a Cash Flow Statement and Report on Cash Flow for Newstart (the “**Second Extension Cash Flow Forecast**”) for the second extension period requested to August 30, 2016 (the “**Second Extension Period**”) which is attached hereto as **Exhibit “F”**.

19. Based on my knowledge of the financial position of Newstart and the assumptions set out in the Second Extension Cash Flow Forecast, I believe that this cash flow forecast is fair and reasonable. The Second Extension Cash Flow Forecast projects that Newstart has sufficient funds to fund expenditures until September 2, 2016.

V. Extension of Stay

20. In order to allow Newstart sufficient time to implement the SISP and to complete its reorganization successfully, Newstart is seeking an extension of the time for filing of the Proposal to and including August 30, 2016.

21. I verily believe that Newstart has acted in good faith and with diligence and has been making its best efforts in seeking to restructure the affairs of Newstart after the date of filing the NOI.

22. Given the efforts expended by Newstart in assisting the Proposal Trustee in implementing the SISP, it was not possible to complete a restructuring process and to prepare a viable proposal to creditors within the stay period provided for in the First Extension and Sale Process Approval Order.


23. I verily believe that the requested extension will substantially enhance the likelihood of Newstart making a viable proposal to its creditors, and will not cause any undue prejudice to any party.

24. An extension of stay proceedings is essential to preserve Newstart's business and to maintain its enterprise value. A stay would also provide Newstart with the necessary time to assist the Proposal Trustee in the undertaking and implementation of the SISP and to complete a transaction with a view to making a successful proposal to creditors.


25. Without the benefit of a stay of proceedings, Newstart would be deemed bankrupt and there would be a fast and significant erosion of value of Newstart's assets.

26. I swear this Affidavit in support of Newstart's motion for the relief requested, and for no other or improper purpose.

SWORN BEFORE ME)
at the City of Toronto)
in the Province of Ontario,)
this 17th day of July, 2016)
)
)

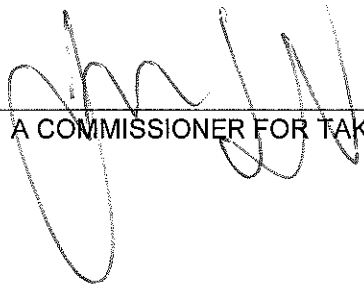


A Commissioner for taking oaths, etc.
J. SPETTER



DAVID BAKER

This is Exhibit "A" referred to in the
Affidavit of **DAVID BAKER**
sworn before me, this 11th
day of **JULY**, 2016



A COMMISSIONER FOR TAKING AFFIDAVITS

TRUST AGREEMENT
BETWEEN
135974 ONTARIO INC. (135)
AND
NEWSTART FINANCIAL INC. (NFI)

1353974 Ontario Inc, agrees to hold vehicle registrations in trust for Newstart Financial Inc. as required.
This agreement is signed on August 2nd, 2007.



135974 ONTARIO INC.



NEWSTART FINANCIAL INC.

This is Exhibit "B" referred to in the
Affidavit of **DAVID BAKER**
sworn before me, this 11th
day of **JULY**, 2016



A COMMISSIONER FOR TAKING AFFIDAVITS

PPSA SUMMARY REPORT
File Currency: May 15, 2016

DEBTOR: NEWSTART FINANCIAL INC.

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
715837905	20160420 1149 1108 4693 Assigned: 20160427 1522 1092 5759	02	Austin J. Maek (1980) Inc. Newstart Inc.	CG, MV \$2,000,000.00	General Security Agreement including assets, wages, household belongings and other vehicles. 2008 Jeep Compass 2006 Mitsubishi Endeavour 2005 Pontiac Vibe 2009 Chev Cobalt 2009 Nissan Altima 2008 Kia Sportage 2006 Chev HHR 2008 Nissan Rogue 2007 Honda CRV 2009 Dodge Nitro 2005 Nissan Altima 2008 Chev Equinox 2007 Chev Uplander 2001 Nissan Sentra 2007 Kia Sportage 2000 Hyundai Accent 2007 Pontiac Montana 2004 Infiniti G35X 2003 GMC Jimmy 2000 GMC Jimmy 2006 Chev Uplander 2006 Chrysler Sebring 2006 Chev Cobalt 2005 Saturn Ion 2006 Pontiac Grand Prix 2003 Oldsmobile Alero

* CG – Consumer Goods ; I – Inventory ; E – Equipment ; A – Accounts ; O – Other ; MV – Motor Vehicle Included

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
					2000 Saab 9-5 2008 Ford Escape 2005 Hyundai Tucson 2002 Dodge Caravan 2008 Dodge Grand Caravan 2003 Dodge Durango 2010 Ford Focus 2012 Mercedes Benz 2007 Dodge Caliber 2004 Pontiac Grand Am 2006 Chev Equinox 2007 Pontiac Grand Prix 2005 Chev Uplander 2007 Ford Escape 2003 VW Golf 2006 Pontiac Montana 2005 VW Jetta 2004 Dodge Neon 1999 Ford Windstar 2007 Chev Cobalt 2001 Chrysler PT Cruiser 2006 Chev Uplander 2003 Ford Focus 2002 Buick Rendezvous 2013 Dodge Journey 2006 Nissan Xtrail 2004 Chev Optra 2004 Ford Super Crew XLT 2002 Pontiac Grand Prix 2008 Chev Aveo 2005 Buick Rendezvous

* I – Inventory ; E – Equipment ; A – Accounts ; O – Other ; MV – Motor Vehicle Included

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
					2010 Dodge Grand Caravan 2008 Chev Uplander 2005 Mazda 3 2000 Mazda Protégé 2006 Ford Freestar 2003 Honda Civic 2006 Saturn Ion 2003 Chev Malibu 2009 Dodge Journey 2007 Chev Cobalt 2010 Dodge Journey 2004 Ford F150 2007 Saturn Vue 2003 Nissan Altima 2004 Dodge Caravan 2003 Ford Focus 2007 Pontiac G6 2007 Ford Ranger 2005 Dodge Caravan 2006 Mazda Tribute 2003 Ford Windstar 2009 Ford F150 2015 Kia Soul 2008 Chev Malibu 2007 Pontiac Montana SV6 2009 Chev Uplander 2004 Cadillac SRX 2005 GMC Envoy 2004 Pontiac Montana 2001 Pontiac Montana 2005 Mercedes Benz

* I – Inventory ; E – Equipment ; A – Accounts ; O – Other ; MV – Motor Vehicle Included

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
715841955	20160420 1306 1108 4694 Assigned: 20160427 1526 1092 5760	01	Austin J. Maek Inc. Newstart Inc.	CG, MV \$2,000,000.00	2006 Pontiac Wave 2003 Buick Rendezvous 2007 Ford Escape 2004 Chev Optra 2006 Chrysler Sebring 2005 Nissan Altima 2006 VW Jetta 2009 Pontiac Montana General Security Agreement including assets, wages, household belongings and other vehicles. 2012 Cargo Trailer 2010 Mercedes Benz 2007 Mitsubishi Eclipse 2006 Hino 185 2005 Dodge Ram 1994 Geo Tracker 1992 Ford Royal Classic 2009 Daymak Saigon 1.50 1972 MG Midget 1968 Harley Davidson 2002 Buick Century 2001 Ford Taurus 2012 VW Jetta TDI 2011 Kawasaki KLX110-A1 2011 Honda Motorcycle 2009 Polaris Sportsman 500 2009 Pontiac Torrent 2008 GMC Acadia 2007 Dodge Magnum 2007 Hyundai Accent 2007 Pontiac Montana

* I – Inventory ; E – Equipment ; A – Accounts ; O – Other ;

MV – Motor Vehicle Included

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
					2005 Fleetwood Tent Trailer 2005 Pontiac Grand Prix 2004 Mazda B3000 2004 Pontiac Grand Am 2003 Chev Impala 2003 Pontiac Sunfire 2001 Oldsmobile Intrigue 2000 Triumph TT6 1998 BMW K1200RS 1992 Starcraft Camper Trailer 1973 Honda CB3 2003 Nissan Altima 2003 Pontiac Grand Prix 2001 Pontiac Montana 1998 Chev Venture 2004 Acura 1.7EL 2002 Chev Venture 2004 GMC Sierra 2.500 2007 Nissan Sentra 2005 VW Phaeton 2003 Ford Windstar 2009 VW Golf 2004 Ford Focus 2004 Ford Freestar 2002 Dodge Neon
715464864	20160407 1639 1108 4656	02	Newstart Financial Inc.	CG, O, MV \$19,079.00	2001 BMW 3 Series 2003 Acura MDX
714876687	20160318 1439 1092 5732	05	Austin J. Mack (1980) Inc.	I, E, A, O, MV	*Late renewal of file number 638764434*
713351592	20160115 1639 1108 4608	02	Philippe Gagnon	CG, MV \$20,000.00	2002 Buick Rendezvous 2003 Jeep Liberty

* I – Inventory ; E – Equipment ; A – Accounts ; O – Other ;

MV – Motor Vehicle Included

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
709241949	20150824 1223 1108 4542	01	1455740 Ontario Limited	CG, MV \$100,000.00	2006 Volkswagen Jetta 2005 Chev Uplander 2006 Saturn Ion (1G8AJ55F86Z144471) 2007 Pontiac Montana (1GMDU23157D124351) 2005 Chev Equinox (2CNDL73F756107090) 2007 Ford Focus (1FAFP34N97W140705) 2005 Chev Malibu Maxx (1G1ZT62865F175564) 2005 Chev Uplander (1GNDV23L35D210121) 2000 Chev S10 (1GCCS14W1YK231758) 2003 Nissan Altima (1N4BL11E73C205596) 2007 Chev Cobalt (1G1AL55F977386367) 2003 Chev Trail Blazer (1GNDDT13S132338373)
709244955	20150824 1246 1108 4543	01	Caroline Taylor	CG, O, MV \$90,000.00	2001 Chev Malibu (1G1ND52J11M674562) 2005 Chev Uplander (1GNDV23L45D292389) 2001 Chev Blazer (1GNDT13W912158669) 2003 Hyundai Santa Fe (KM8SB13D93U449838) 2000 Chev Silverado 1500 (1GCEC14V5YZ109229) 2004 Chrysler Sebring Touring (1C3EL56R34N372400) 2005 Ford Focus (1FAFP34N35W252476) 2004 Ford ZX5 (3FAFP37344R121567) 2000 Chev Malibu (1G1ND52JXY6135047) 2002 Honda Civic (2HGES15492H903538)
709257114	20150824 1522 1108 4544	01	Caroline Taylor	CG, O, MV \$3,518.00	2005 Chev Equinox (2CNDL73F956119869)
705784572	20150505 1219 1108 4518	02	7727640 Canada Inc.	CG, O, MV \$100,000.00	2001 Acura 3.5RL (JH4KA96551C800093) 2003 Pontiac Grand Prix (1G2WP52K83F160943) 2005 Pontiac Pursuit (1G2AJ52F857527075) 2007 Nissan Sentra (3N1AB61E97L649999)

* I – Inventory ; E – Equipment ; A – Accounts ; O – Other ;

MV – Motor Vehicle Included

Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications	General Collateral Description (Vehicle Description)
					2008 Hyundai Santa Fe (5NMSG13D68H24832)
705526956	20150428 1456 1108 4509	02	Lucy Wieland	CG, O, MV \$20,000.00	2002 Chev Cavalier (1G1JH12F027356861) 2000 Chrysler Sebring (3C3EL55H9YT43057) 2007 Dodge Grand Caravan (1D4GP24R37B142004)
704925513	20150408 1259 1108 4494	02	Lucy Wieland	CG, O, MV \$30,000.00	2007 Hyundai Tucson (KM8JM12D37U479379) 2008 Ford Escape (1FMCU03198KE27789) 2004 Ford F150 (1FTPW1458KC12051)
704925891	20150408 1322 1108 4495	01	Jasmine Meng	CG, O, MV \$10,000.00	2005 GMC Envoy XL (1GKET16S156172011)
704926926	20150408 1417 1108 4496	02	Edward & Jackie Madden	CG, O, MV \$100,000.00	2008 Dodge Caliber (1B3HB48B48D725987) 2000 Dodge Durango SLT (1B4HS28N7YF178566) 2006 Pontiac Pursuit (1G2AJ55F267618839) 2007 Chrysler Pacifica (2A8GM68X37R355180) 2010 Toyota Corolla (2T1BU4EE7AC221675) 2000 Pontiac Grand AM (1G2NF52E4YM864536) 2008 Dodge Caravan (2D8HN44H38R692916) 2005 Saturn Vue (5GZCZ33D75S822100) 2005 Chrysler 300 Touring (2C3JA53G35H590399)
704515914	20150325 1204 1108 4478	02	Robin Korman	CG, MV \$12,000.00	2002 Pontiac Grand Prix GT (1G2WP52K52F199343) 2002 Oldsmobile Intrigue (1G3WH52H52F166386)
704319084	20150318 0952 1108 4471	02	Larmer Holdings Inc.	CG, O, MV \$50,000.00	2007 Chev Uplander (1GNDV23167D116218) 2003 Buick Rendezvous (3G5DA03E13S560572) 2007 Dodge Caravan (1D4GP25R97B183865) 2007 Nissan Sentra S (3N1AB61E97L619904) 2005 Pontiac Grand AM (1G2NW12E35M146884) 2007 Dodge Caliber (1B3HB28C97D207997)

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications	General Collateral Description (Vehicle Description)
702954558	20150114 1058 1108 4398	02	Cecil Li	CG, MV \$200,000.00	2006 Chev Equinox 2001 Mazda 626 2007 Dodge Caliber 2003 Dodge Caravan 2006 Pontiac Montana 2005 Chev Equinox 2005 Chev Cobalt 2003 Hyundai Santa Fe 2006 Chev Aveo 2004 Volvo XC90 2003 Pontiac Vibe 2002 Pontiac Sunfire 2006 Kia Sportage 2004 Chev Optra 2007 Pontiac Montana 2005 Ford Focus 2008 Nissan Versa 2005 Chev Equinox 2007 Chev Uplander 2005 Dodge Caravan 2006 Chev HHR 2005 Dodge Grand Caravan
702959976	20150114 1119 1108 4399	02	Cecil Li	CG, MV \$100,000.00	2002 Nissan Maxima 2000 Dodge Caravan 2000 Chev Malibu
702422145	20141217 1414 1108 4385	02	Guy Whitehead	CG, O, MV \$50,000.00	2003 Toyota Matrix 2007 Jeep Compass Ltd.

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
					2002 Mazda Protégé 5 2006 Mazda 5GT 2005 Buick Rendezvous 2001 Ford Taurus 2007 Mazda 3 2004 Honda Civic 2001 Honda Accord 2007 Mazda 5 2008 Dodge Caliber
702430047	20141217 1508 1108 4386	02	Larry Withall	CG, O, MV \$10,000.00	2003 Oldsmobile Alero
702361944	20141215 1556 1108 4381	02	Larry Withall	CG, O, MV \$600,000.00	2004 Mazda 3 1997 Pontiac Bonneville 2002 Buick Rendezvous 2006 Chev Impala 2005 Kia Sedona 2005 Buick Rendezvous 2003 Pontiac Grand Prix
700914663	20141023 1050 1108 4328	02	Cathy and Roy Jeffery	CG, O, MV \$34,000.00	2000 Chev Malibu 2003 VW Jetta 2003 Chev Venture
700873281	20141021 1708 1108 4323	02	Nelson Christo	CG, O, MV \$25,000.00	2000 Lexus RX300 2004 Pontiac Montana
700502769	20141007 1312 1108 4304	02	Cathy and Roy Jeffery	CG, MV \$64,000.00	2000 Honda CRV 2005 Nissan Sentra 2005 Mazda 6 2001 Pontiac Grand Prix GT

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
700187067	20140926 1635 1108 4293 Discharged: Sept 22/15 20150922 1648 1108 4552	02	Anthony Less	CG, O, MV	2005 Chev Cobalt 2004 Mazda 3 2007 Pontiac G5 2005 Dodge Neon SX 2002 Pontiac Grand Prix 2007 Chev Uplander 2000 GMC Yukon 2005 Kia Sorento 2008 Hyundai Sonata 2000 Chev Silverado 1999 Dodge Dakota 2002 Pontiac Grand AM 2001 Ford Escape XLS
699966243	20140919 1145 1108 4289	02	Robin Korman	CG, MV \$22,000.00	2006 Dodge GR Caravan 2001 Chev Cavalier 2002 Saturn Vue
699372225	20140829 1224 1108 4278	02	Larry Withall	CG, O, MV \$10,000.00	2001 Ford Windstar 2007 Chev Cobalt
699134238	20140821 1449 1108 4273	02	Edward & Jackie Madden	CG, O, MV \$100,000.00	2005 Dodge Durango 2004 Chev Opta 2006 Suzuki Aerio 2004 Hyundai Santa Fe 2001 Mazda Tribute 2004 Jeep Liberty 2003 Nissan Sentra 2007 Dodge Caliber

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
					2001 Honda Prelude
699092388	20140820 1438 1108 4269	02	Frank & Maria Damico	CG, O, MV \$21,000.00	2005 Chrysler Sebring 2004 Kia Magentis 2002 Buick Rendezvous 2006 GMC Envoy Denali
699092712	20140820 1453 1108 4271	02	John Sweet and Jacqueline Gauthier	CG, O, MV \$50,000.00	2009 Pontiac Torrent 2003 Acura 3.2 TL(S)
698843538	20140812 1421 1108 4259	02	Cecil Li	CG, O, MV \$200,000.00	2007 Ford Focus 2002 Pontiac Sunfire 2006 Infiniti M35X 2008 Chev Cobalt 2003 Pontiac Grand Prix 2005 Dodge Caravan 2005 Nissan Altima 2000 Ford Taurus 2005 Nissan Murano 2004 Mazda RX8 2004 Hyundai Tiburon 2003 Acura TL 2002 Ford Winstar Sport 2004 Pontiac Grand AM 2003 Pontiac Sunfire 1998 Buick Park Ave 2005 Hyundai Sonata 2005 Chev Uplander 2002 Chev Venture 2006 Chev Trailblazer 2003 Chev Impala

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
698844141	20140812 1455 1108 4260	02	Cecil Li	CG, O, MV \$200,000.00	2007 Dodge Caliber 2005 Pontiac Vibe 2009 Nissan Sentra 2005 Dodge Caravan 2007 Nissan Versa 2005 Saturn Ion 2006 Chev Uplander 2001 Chrysler 300M 2004 Saturn Ion 2006 Mazda 3GX 2006 Kia Rio 2006 Pontiac Montana SV6 2002 Nissan Sentra 2004 Chev Malibu Maxx 2006 Chev Equinox
698798169	20140811 1303 1108 4257	02	Modern Para Aluminum Sales Inc.	CG, MV \$100,000.00	2000 Chev Impala 2007 Chev Uplander 2006 Nissan Xtrail 2000 Acura TL 2001 Pontiac Sunfire 2006 Pontiac Montana 2003 Acura TL 2005 Chev Aveo 2002 Pontiac Aztek 2002 VW Jetta GLS 2001 Ford Winstar 2002 Chev Venture 2008 Chev Uplander

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications	General Collateral Description (Vehicle Description)
698766984	20140808 1537 1108 4253	02	Cecil Li	CG, O, MV \$100,000.00	2003 Nissan Maxima 2000 GMC Jimmy 2004 Chev Venture 1998 GMC Jimmy 2007 Pontiac G6 2002 Pontiac Rendezvous 2010 Hyundai Accent 2000 Pontiac Grand Prix 2007 Dodge Caliber 2003 Mazda MPV
698767668	20140808 1607 1108 4254	02	Argenco Inc.	CG, O, MV \$50,000.00	2005 Dodge Neon SX 2000 GMC Yukon 2005 Kia Sorento 2000 Chev Silverado 1999 Dodge Dakota
698767686	20140808 1609 1108 4255	02	Argenco Inc.	CG, O, MV \$15,000.00	2007 Chev Uplander
698768127	20140808 1626 1108 4256	02	Caroline Taylor	CG, O, MV \$90,000.00	1998 BMW 540I 2004 Chev Malibu 2003 Cadillac Seville 2002 Dodge Caravan 2005 Dodge Neon SX 2000 GMC Sonoma 2005 Pontiac G6 2007 Dodge Magnum
698343309	20140725 1122 1108 4237	02	Iris & Ernest Bieri	CG, O, MV, \$180,000.00	2003 Nissan Altima 2004 Ford Focus 2000 Ford F150

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
					2005 Chev Uplander 2001 Dodge Grand Caravan 2002 Oldsmobile Alero 2002 Nissan Sentra 2005 Buick Allure 2004 Kia Sedona 2000 Pontiac Montana 2002 Dodge Dakota 2001 Lincoln Town Car 2004 Ford Freestar 2000 Hyundai Accent 2008 Hyundai Accent 2004 Nissan Maxima 2005 Pontiac Montana 2004 Chev Epica 2006 Chev Uplander 2002 Chev Cavalier 2001 Pontiac Grand Prix 2005 Chev Uplander 2003 Ford Focus 2004 Pontiac Grand Prix 2002 Ford Explorer 2000 VW Jetta 2002 Dodge Grand Caravan 2005 Dodge Caravan 2002 Chev Impala 2004 Chrysler Pacifica 2001 Mazda MPV 2001 Nissan Maxima

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications	General Collateral Description (Vehicle Description)
698359014	20140725 1510 1108 4238	02	Coyote Graphics Inc.	CG, O, MV \$200,000.00	2005 Chev Venture 2002 Toyota Solara 2005 Buick Rendezvous
698136246	20140718 1201 1108 4225	02	Guy Whitehead	CG, O, MV \$100,000.00	2000 Mercedes C230 2002 Mazda Protégé 5 2005 Dodge Caravan 2004 Mazda 3 2004 Honda Civic 2003 Ford Focus 2003 Chev Impala 2002 Ford Taurus Sel 2008 Pontiac Montana 2007 Dodge Nitro 2005 Dodge Caravan 2004 Mazda 3 2004 Honda Civic 2003 Ford Focus 2003 Chev Impala 2002 Ford Focus 2008 Pontiac Montana 2007 Dodge Nitro 2003 Honda Civic 2001 Mazda Protégé 2003 Mazda Protégé 2004 Ford Focus
698141223	20140718 1408 1108 4226	02	1455740 ONT	CG, O, MV \$100,000.00	2002 Chev Cavalier 2004 Chev Cavalier 2004 Pontiac Montana 2005 Chev Cobalt

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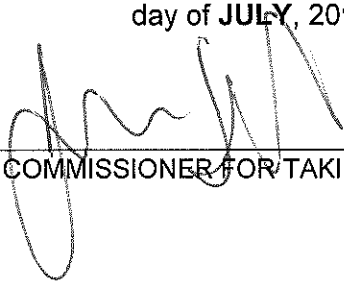
Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
698026824	20140715 1534 1108 4222 Amendment: 20140716 1155 1108 4223 -- change principal amount secured	02	Modern Para Aluminum	CG, O, MV \$50,000.00 \$100,000.00	2004 VW Jetta TDI 2000 Pontiac Grand AM 2003 Pontiac Sunfire 2002 Ford Taurus 2004 Chev Impala LS 1997 GMC Safari 2004 Pontiac Sunfire 2000 Dodge Ram 1500 2006 Pontiac Montana 2002 Buick Rendezvous 2006 Dodge Dakota 1997 Honda Accord 2006 Pontiac Montana SV6 2004 Buick Rainier 2001 Chev Venture 2004 Chev Optra 2005 Pontiac Grand AM 2004 Mazda 6 2003 Nissan Sentra 2004 VW Jetta GLS 2008 Dodge Grand Caravan 2003 Acura MDX
697521024	20140627 1435 1108 4214	02	Larmar Holdings Inc.	CG, O, MV \$120,000.00	2001 Mazda Tribute 2004 Honda Civic 2006 Chev Uplander 2003 Ford Winstar 2007 Chev Impala 2001 Chev Malibu 2005 Nissan Sentra 2005 Mazda Tribute

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Reference File No.	Registration No.	Reg'n Period	Secured Party	Collateral Classifications *	General Collateral Description (Vehicle Description)
697178358	20140617 1128 1108 4196	02	Andrew Reynolds	CG, O, MV \$15,000.00	2001 GMC Sierra 2002 Oldsmobile Alero 2005 Dodge Caravan 2001 Honda Accord 2001 Oldsmobile Alero 2003 Hyundai Elantra 2001 BMW 330ci 2004 Pontiac Vibe
696404169	20140523 1402 1108 4175	02	Robin Korman	CG, O, MV \$105,000.00	1997 Chrysler Intrepid 2005 Buick Terazza 2005 Dodge Caravan 2002 Hyundai Santa Fe 2004 Chrysler Sebring 2005 Nissan Altima 2004 Dodge C SX 2000 Ford Focus 2006 Dodge Caravan 1999 VW Jetta TDI 2004 Ford Taurus SES 2000 Chev Monte Carlo
658378854	20091223 1320 1793 0752	10	Newstart Capital Inc.	I, E, A, O, MV	

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This is Exhibit "C" referred to in the
Affidavit of **DAVID BAKER**
sworn before me, this 11th
day of **JULY**, 2016



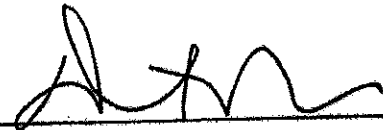
A COMMISSIONER FOR TAKING AFFIDAVITS

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of
 Newstart Financial Inc.
 of the city of Pickering, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
1455740 Ontario Limited	1189 Queen Victoria Ave. Mississauga ON L5H 3H2	24259	100,000.00
7727640 Canada Inc.	375 Dyson Road Pickering ON L1W 2N2	95-378	98,101.03
7727640 Canada Inc.	375 Dyson Road Pickering ON L1W 2N2	95-413	96,329.15
Alex Valova	603 1/2 Parliament St., Ste. 302 Toronto ON M4X 1P9	51-348 & 51-367	275,000.00
All Credit Auto Ltd.			25,300.00
Andrew Reynolds	709 Merlin Court Manotick ON K4M 0A1	88-381	7,320.63
Argenco Inc.	35 Hills Road Ajax ON L1S 2W2	8-393	100,000.00
Caroline Taylor	1189 Queen Victoria Avenue Mississauga ON L5H 3H2	48-235	90,000.00
Cathy & Roy Jeffery	56 McLean's Mountain, RR#1 Box 60 Little Current ON P0P 1K0	21-372	30,000.00
Cathy & Roy Jeffery	56 McLean's Mountain, RR#1 Box 60 Little Current ON P0P 1K0	21-386	34,000.00
Cecil LI	735-215 86 Ave. SE Calgary AB T2H 2K5	23-365	200,000.00
Cecil LI	735-215 86 Ave. SE Calgary AB T2H 2K5	23-389	100,000.00



Newstart Financial Inc.
 Insolvent Person

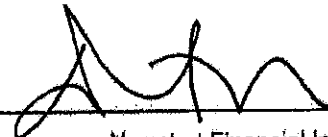
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Creditor	Address	Account#	Claim Amount
Cecil Li	735-215 86 Ave. SE Calgary AB T2H 2K5	23-391	100,000.00
Cecil Li	735-215 86 Ave. S.E Calgary AB T2H 2K5	23-402	122,358.04
Cecil Li	735-215 86 Ave. SE Calgary AB T2H 2K5	23-403	100,000.00
Coyote Graphics Inc.	19 Chestnut Avenue Brampton ON L6X 2A6	89-387	20,000.00
CRA - Canada Revenue Agency - Tax - Ontario c/o London Taxes Services Office Division Regional Intake Centre for Insolvency	PO Box 5548 3 - 451 Talbot St London ON N6A 4R3	849968151RT0001	7,560.00
CVC Ardellini Investments Inc.	#8 - 1815 Ironstone Manor Pickering ON L1W 3W9	promissory note	516,500.00
Dealertrack Canada Inc.			10,050.00
Devry Smith Frank LLP James Satin	100 - 95 Barber Greene Road North York ON M3C 3E9		7,350.00
Donna Wheeler	56 Montgomery Blvd. Kingston ON K7M 3N6	101-361	50,000.00
Donna Wheeler	56 Montgomery Blvd. Kingston ON K7M 3N6	101-364	24,999.99
Durham Auto Group Ltd.	548 Simcoe Street South Oshawa ON L1H 0A6		157,120.00



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Creditor	Address	Account#	Claim Amount
Edward Madden	466 Oakwood Drive Pickering ON L1W 2M7	94-411	100,000.00
Frank & Ausenda Afonso	1777 Willow Way Mississauga ON L5M 4X4	51-348	100,000.00
Frank & Maria Damico	33 Patna Crescent Maple ON L6A 1N6	45-350	10,000.00
Frank & Maria Damico	33 Patna Crescent Maple ON L6A 1N6	45-351	11,000.00
Frank Afonso	1777 Willow Way Mississauga ON L5M 4X4	51-367	120,000.00
Grant Thornton			2,800.00
Guy Whitehead	50 Upton Crescent Markham ON L3R 3T4	71-355	17,135.10
Guy Whitehead	50 Upton Crescent Markham ON L3R 3T4	71-382	57,117.70
Guy Whitehead	50 Upton Crescent Markham ON L3R 3T4	71-399	77,192.33
Harvey & Lorraine Witty	14966 Duffy's Lane Caledon ON L7E 3B8	44-345	30,050.00
Iris_Ernst Bieri	1420 Joanisse Road Clarence Creek ON K0A 1N0	36-385	100,000.00
Iris_Ernst Bieri	1420 Joanisse Road Clarence Creek ON K0A 1N0	36-386	80,000.00


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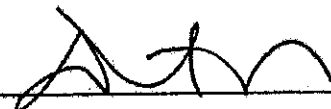
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Creditor	Address	Account#	Claim Amount
James (Jim) Seeley	987 Auden Park Drive Kingston ON K7M 7T9	65-352	100,000.00
James (Jim) Seeley	987 Auden Park Drive Kingston ON K7M 7T9	65-366	50,000.00
Jasmine Meng	92 Treasure Road Maple ON L6A 2Z9	111-408	8,415.12
Jean Louis Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	16-300	5,000.00
John Sweet & Jacqueline Gauthier	280 Sutherland Drive Toronto ON M4G 1J3	47-344	50,000.00
Jurgen Mack	1171 Gerrard Street East Toronto ON M4L 1Y3	32-339	50,000.00
Jurgen Mack	1171 Gerrard Street East Toronto ON M4L 1Y3	32-357	180,000.00
Jurgen Mack	1171 Gerrard Street East Toronto ON M4L 1Y3	32-369	70,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-334	25,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-335	55,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-340	80,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-346	100,000.00



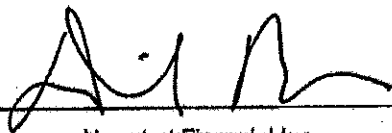
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Creditor	Address	Account#	Claim Amount
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-354	60,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-359	100,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-370	70,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-371	250,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-377	70,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-383	110,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-392	10,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-397	10,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-398	60,000.00
Larmer Holdings Inc.	1730 McPherson Crt., Unit 14 Pickering ON L1W 3E6	3-404	50,000.00
Lucy Wieland	#811 - 1950 Kennedy Road Toronto ON M1P 4S9	9-407	20,000.00
Lucy Wieland	#811 - 1950 Kennedy Road Toronto ON M1P 4S9	9-410	10,000.00



 Newstart Financial Inc.
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Lucy Wieland	#811 - 1950 Kennedy Road Toronto ON M1P 4S9	9-412	20,000.00
Michael & Marsha Bukata	14 Doon Drive, Unit 10 London ON N5X 3P2	58-342	10,000.00
Modern Para Aluminum Sales Inc.	#419 - 4005 Bayview Ave Toronto ON M2M3Z9	59-382	50,000.00
Modern Para Aluminum Sales Inc.	#419- 4005 Bayview Ave Toronto ON M2M3Z9	59-384	50,000.00
Modern Para Aluminum Sales Inc.	#419 - 4005 Bayview Ave Toronto ON M2M3Z9	59-388	100,000.00
Moenes Salib	606 Amberwood Crescent Pickering ON L1V 3T9		6,910.00
Nelson Christo	1265 Abbey Road Pickering ON L1X 1W4	62-394	25,000.00
Newstart Acceptance Inc.	963 Brock Road, Units 10-11 Pickering ON L1W 3A4		385,900.00
Newstart Capital Inc.	963 Brock Road, Units 10-11 Pickering ON L1W 3A4	70-152	58,599.91
Newstart Capital Inc.	963 Brock Road, Units 10-11 Pickering ON L1W3A4	70-181	130,800.00
Newstart Capital Inc.	963 Brock Road, Units 10-11 Pickering ON L1W 3A4	70-312	105,200.00
Newstart Capital Inc.	963 Brock Road, Units 10-11 Pickering ON L1W 3A4	70-414	23,000.00

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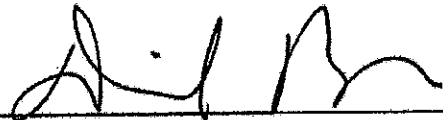
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 of the city of Pickering, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Newstart Inc.	380 Dyson Road Pickering ON L1W 2M9	General Security Agreement	615,003.75
Peter J. Larcombe	75 Ardill Crescent Aurora ON L4G 5S5	22-360	50,000.00
Petro Canada			800.00
Philippe & Jean-Louis Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	15-286	30,000.00
Philippe & Jean-Louis Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	15-287	100,000.00
Philippe & Jean-Louis Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	15-296	10,000.00
Philippe & Jean-Louis Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	15-302	20,000.00
Philippe & Jean-Louis Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	15-304	25,000.00
Philippe Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	15-310	10,000.00
Philippe Gagnon	1483 Route 133 Grand Barachois, NB E4P 8C9 Grand Barachois NB E4P 8C9	19-288	10,000.00
Philippe Gagnon	1483 Route 133 Grand Barachois NB E4P 8C9	19-303	5,000.00
Pitney Works			650.00



Newstart Financial Inc.
 Insolvent Person

This is Exhibit "D" referred to in the
Affidavit of **DAVID BAKER**
sworn before me, this 11th
day of **JULY**, 2016



A COMMISSIONER FOR TAKING AFFIDAVITS



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

Business Debtor Enquiry

Web Page ID: **WNoMatch001**

File Currency: **27OCT 2015**

System Date: **28OCT2015**

Search Criteria: NEWSTART ACCEPTANCE INC.

No Match.

No registered financing statement or registered claim for lien was found for this enquiry.

New Enquiry

[ServiceOntario Privacy Statement](#) | [PPSR Telephone Service](#)

[CONTACT US](#) | [ACCESSIBILITY](#) | [PRIVACY](#) | [HELP](#)
[WOULD YOU LIKE TO RATE OUR SERVICE?](#)

© QUEEN'S PRINTER FOR ONTARIO, 2008 | [IMPORTANT NOTICES](#)
LAST MODIFIED: JULY 19, 2015

This is Exhibit "E" referred to in the
Affidavit of **DAVID BAKER**
sworn before me, this 11th
day of **JULY**, 2016

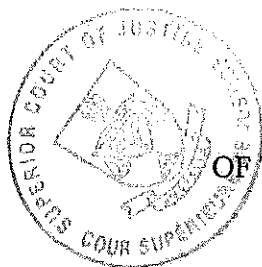


A COMMISSIONER FOR TAKING AFFIDAVITS

Court File No. 31-2117950

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	FRIDAY, THE 27 th DAY OF
JUSTICE <i>CONWAY</i>)	MAY, 2016



IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

ORDER

THIS MOTION, made by Newstart Financial Inc. (“NFI”) and Newstart Acceptance Inc. (“NAI”) (NFI and NAI shall collectively be referred to as “Newstart”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 1985, c B-3, as amended (the “BIA”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of David Baker sworn May 19, 2016 and the Exhibits thereto (the “Baker Affidavit”), the First Report of Dodick Landau Inc. (the “Proposal Trustee”) dated May 19, 2016 (the “First Report”) and on being advised that the creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for Newstart, the Proposal Trustee and any other parties who signed the counsel slip;

Service:

- THIS COURT ORDERS** that the time for service of the Newstart’s Notice of Motion and Motion Record and the First Report is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at: <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant 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 <[www.dodick.ca]>.

3. **THIS COURT ORDERS** that the E-Service List Keeper and the WebHost (as such terms are defined in the Protocol) for the purpose of this proceeding shall be the Proposal Trustee.

Extension of Time to File Proposal:

4. **THIS COURT ORDERS** that the time for filing of the Proposal, and the stay of proceedings herein, are extended in accordance with Section 50.4(9) of the BIA for a period of 45 days, to and including July 16, 2016.

Proposal Trustee's Fees and Administration Charge:

5. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and counsel to Newstart shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by Newstart as part of the costs of these proceedings. Newstart is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for Newstart on a weekly basis.

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

7. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and Newstart's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, in the amount of \$150,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 8 to 11 hereof.

Validity and Priority of Administration Charge:

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

9. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on Newstart's current and future properties, assets and undertakings of every nature and kind whatsoever and wheresoever situated including all proceeds thereof (the "**Property**") and such Administration Charge 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 (except statutory deemed trusts that, at law, rank in priority to all other charges), or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**").

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

11. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the "**Chargees**") 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 the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing or deemed 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 Newstart, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by Newstart 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 the creation of the Administration Charge; and
- (c) the payments made by Newstart pursuant to this Order and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

Enhanced Powers of the Proposal Trustee:

12. **THIS COURT ORDERS** that, in addition to the powers and duties set out in the BIA and this Order (or any other Order of this Court in these proceedings), the Proposal Trustee is hereby fully and exclusively authorized and empowered, but not required, to take any and all actions and steps, and execute any and all documents and writings, on behalf, and in the name of, and binding upon Newstart, in order to carry out its duties under this Order or any other Order of the Court, including to execute all documents relating to the SISP (as defined below) as well as to execute and deliver any documents on behalf of, and binding upon, Newstart in order to implement transactions under the SISP approved by the Court.

13. **THIS COURT ORDERS** that the Proposal Trustee is authorized and empowered, but not required, to operate on behalf of Newstart any of Newstart's existing accounts at any financial institution ("Newstart's Accounts"), in such manner as the Proposal Trustee, in its sole discretion, deems necessary or appropriate to assist with the exercise of the Proposal Trustee's powers and duties set out herein, including the ability to add or remove persons having signing authority with respect to any of Newstart's Accounts.

14. **THIS COURT ORDERS** that all employees of Newstart shall remain the employees of Newstart until such time as the Proposal Trustee, on Newstart's behalf, may terminate the employment of such employees. Nothing in this Order shall, in and of itself, cause the Proposal Trustee to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension or benefit amounts.

15. **THIS COURT ORDERS** that the enhancement of the Proposal Trustee's powers as set forth herein, the exercise by the Proposal Trustee of any of its powers, the performance by the Proposal Trustee of any of its duties, or the use or employment by the Proposal Trustee of any person in connection with its appointment and the performance of its powers and duties shall not constitute the Proposal Trustee the employer, successor employer or related employer of the employees of Newstart within the meaning of any provincial, federal or municipal legislation or common law governing employment, pensions or labour standards or any other statute, regulation or rule of law or equity for any purpose whatsoever or expose the Proposal Trustee to liability to any individuals arising from or relating to their previous employment by Newstart.

16. **THIS COURT ORDERS** that the Proposal Trustee is not, and shall not be or be deemed to be, a director, officer or employee of Newstart.

17. **THIS COURT ORDERS** that Newstart shall continue to have the benefit of all of the protections and priorities as set out in the BIA, or this Order, and any such protections and priorities shall apply to the Proposal Trustee in fulfilling its duties and exercising any of its powers under this Order or any other Order of this Court.

18. **THIS COURT ORDERS** that Newstart its management and advisors shall cooperate fully with the Proposal Trustee and any directions it may provide pursuant to this Order or any other Order of this Court and shall provide the Proposal Trustee with such assistance as the

Proposal Trustee may request from time to time to enable the Proposal Trustee to carry out its duties and powers as set out in this Order or any other Order of this Court.

19. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Proposal Trustee as a receiver, assignee, liquidator, administrator, receiver manager, agent of the creditors or legal representative of Newstart within the meaning of any relevant legislation and that any distribution made to creditors of Newstart by the Proposal Trustee will be deemed to have been made by Newstart itself.

20. **THIS COURT ORDERS** that the Proposal Trustee shall not take possession of the Property, and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the business or Property of Newstart, or any part thereof.

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

22. **THIS COURT ORDERS** that the Proposal Trustee shall provide any creditor of Newstart with information provided by Newstart in response to reasonable requests for information made in writing by such creditor addressed to the Proposal Trustee. The Proposal Trustee shall not have any responsibility or liability with respect to the information disseminated

by it pursuant to this paragraph. In the case of information that the Proposal Trustee has been advised by Newstart is confidential, the Proposal Trustee shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Proposal Trustee and Newstart may agree.

23. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Proposal Trustee under the BIA or as an officer of this Court, the Proposal Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Proposal Trustee by the BIA or any applicable legislation.

Sale and Investment Solicitation Process:

24. **THIS COURT ORDERS** that the Sale and Investment Solicitation Process (the "SISP"), attached as **Schedule "A"** to this Order, is approved.

25. **THIS COURT ORDERS** that Newstart and the Proposal Trustee are authorized and directed to perform their obligations under and take such steps as they consider necessary or desirable in carrying out the SISP.

26. **THIS COURT ORDERS** that the Proposal Trustee shall have no personal or corporate liability in connection with the SISP, including, without limitation:

- (a) by advertising the SISP;
- (b) by exposing the Property to any and all parties;
- (c) by responding to any and all requests or inquiries regarding due diligence conducted in respect of Newstart or the Property;
- (d) through the disclosure of any and all information regarding Newstart or the Property arising from, incidental to or in connection with the SISP; and
- (e) pursuant to any and all offers received by Newstart in accordance with the SISP.

27. **THIS COURT ORDERS** that, in connection with the SISP and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act (Canada)*, Newstart and the Proposal Trustee are authorized and permitted to disclose personal information of identifiable individuals to prospective investors, financiers, purchasers or offerors and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more investment, finance or sale transactions (each, a "**Transaction**"). Each prospective investor, financier, purchaser, or offeror to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall: (i) return all such information to Newstart or the Proposal Trustee, as applicable; (ii) destroy all such information; or (iii) in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by Newstart, and shall return all other personal information to Newstart or the Proposal Trustee, as applicable, or ensure that all other personal information is destroyed.

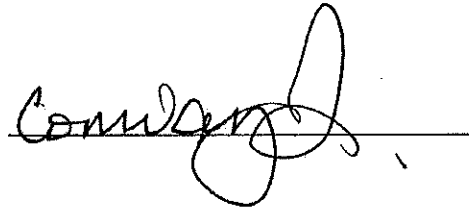
General:

28. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist Newstart, the Proposal Trustee and their respective 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 Newstart and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist Newstart and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

29. **THIS COURT ORDERS** that each of Newstart and the Proposal Trustee be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Proposal Trustee is authorized and empowered

to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. **THIS COURT ORDERS** that any interested party (including Newstart and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

A handwritten signature in black ink, appearing to be "C. M. D. J.", is written over a horizontal line. The signature is stylized and cursive.

Schedule "A"

**Newstart Financial Inc. and Newstart Acceptance Inc. (collectively, "Newstart")
Sale and Investment Solicitation Process Summary**

The purpose of the Sale and Investment Solicitation Process (the "SISP") is to identify one or more purchasers of, or investors in, the business and assets of Newstart with a projected completion date of a transaction or transactions by September 2016.

All capitalized terms used but not otherwise defined herein have the meaning given to them in the Order granted by the Ontario Superior Court of Justice (the "Court") on May 6, 2016 (the "May Order") in respect of the proposal proceedings commenced by Newstart under the *Bankruptcy and Insolvency Act* (the "BIA").

The SISP details are provided below.

- Newstart has compiled, and with the assistance of the Proposal Trustee, may continue to compile, a list of interested parties ("Interested Parties") and will distribute to them an interest solicitation letter detailing this opportunity. The Proposal Trustee will contact all parties identified as well as any additional parties that come to its attention. A confidentiality agreement ("CA") will be attached to the interest solicitation letter;
- Newstart, with the assistance of the Proposal Trustee, will prepare a confidential information memorandum ("CIM") which will be made available to Interested Parties that execute the CA. The CIM will provide an overview of Newstart's business, property and financial results;
- Interested Parties who execute the CA will have an opportunity to perform diligence, including reviewing information in a virtual data room;
- A notice will be published in the national edition of *The Globe and Mail* newspaper and, at the discretion of the Proposal Trustee, in trade publications;
- The Proposal Trustee, with the assistance of Newstart, will facilitate diligence efforts by, among other things, responding to questions and coordinating meetings between Interested Parties and Newstart's management and such other parties as the Proposal Trustee may arrange. All meetings with management will be convened in the presence of a representative of the Proposal Trustee;
- Prospective investors shall be required to identify all material terms of their proposed investment to permit evaluation of such proposal but will not be required to submit the terms and structure of their proposed investment in a predetermined prescribed format;
- Parties interested in acquiring assets will be able to refer to a template asset purchase agreement ("APA") that will be posted in the data room. Interested Parties who wish

Schedule "A"

to acquire assets will be encouraged to submit offers substantially in the form of the APA, with any changes black-lined against the APA;

- Interested Parties will be entitled to submit offers for Newstart's business and assets on an individual basis or *en bloc*. Subject to the value of the consideration to be paid, preference will be given to *en bloc* offers;
- The deadline for submission of offers ("Offer Deadline") will be 5:00 pm EST on August 2, 2016;
- Offers are to be submitted to the Proposal Trustee with a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Proposal Trustee) or such other form of deposit as is acceptable to the Proposal Trustee, in an amount equal to 10% of the purchase price or investment amount. Offers are to be supported by evidence, satisfactory to the Proposal Trustee, of financing sufficient to close a transaction within the timelines detailed in these procedures. All offers are to be irrevocable until 10 days after Court approval of the Proposal;
- The Proposal Trustee will evaluate the offers and may seek clarification and/or a re-bidding of certain offers;
- Newstart's management, along with their respective legal counsel, will be consulted on a timely basis during the different phases of the SISP, provided that they confirm to the Proposal Trustee that they are not bidders in the SISP;
- Any offer submitted must be subject to the approval of the creditors of Newstart and the Court;
- Upon completion of definitive documentation, Newstart will make a Proposal to its creditors in which it will propose a sale of the assets to the successful bidder(s) and the Proposal Trustee will call a meeting of the creditors of Newstart to vote on Newstart's Proposal; and
- Following receipt of creditor approval of Newstart's Proposal, Newstart will apply to the Court for an order approving the Proposal including one or more offers ("Transaction"), with the Transaction projected to be completed as soon as possible following approval of the Proposal by the Court. The Proposal Trustee will provide its recommendation to the Court with respect to the Proposal and the Transaction.

Other attributes of the SISP:

- The Proposal Trustee shall have the right to extend by up to two-weeks any deadline in the SISP in order to facilitate the SISP. Further extensions will require Court approval;

Schedule "A"

- Newstart's management and employees are required to assist and support the efforts of the Proposal Trustee as provided for herein;
- Any transaction will be consistent with insolvency principles, including without material representations and warranties and shall be on an "as is, where is" basis;
- The Proposal Trustee reserves the right to accept one or more offers, in consultation with Newstart management, and to take such steps as are necessary to finalize and complete an APA or investment agreement or to continue negotiations with a selected number of Interested Parties with a view to finalizing an agreement(s) with one or more of them;
- The Proposal Trustee shall be under no obligation to accept the highest offer, the best offer, or any offer, and the selection of any offer(s) shall be at the discretion of the Proposal Trustee after consultation with Newstart Management;
- The Proposal Trustee shall not be bound by the terms of any transaction(s) until approval of the Court is obtained;
- The Proposal Trustee may consider transactions involving a restructuring or investment in Newstart if, in the opinion of the Proposal Trustee, the resulting transaction is in the best interests of Newstart and maximizes value for the benefit of its stakeholders; and
- The Proposal Trustee reserves the right to apply to the Court at any time to modify or terminate the SISIP if it considers it appropriate in the circumstances or to apply to the Court for advice and directions.

SUMMARY TIMELINE OF IMPORTANT DATES

Sale Process Procedures	Date
Court approval of Sale Process by	May 31, 2016
Begin marketing to Interested Parties	June 1, 2016
Begin distributing CIM and access to on-line data room	June 6, 2016
Complete solicitation of potential purchasers/investors by	June 24, 2016
Due diligence completed by	July 22, 2016
Offer deadline	August 2, 2016
Identification of successful offer	August 5, 2016
Hold meeting of creditors to vote on Proposal by	August 31, 2016

Schedule "A"

Obtain Court approval of Proposal by	September 16, 2016
Closing(s) by	September 30, 2016

IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

Court File No. 31-2117950

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at

TORONTO

ORDER

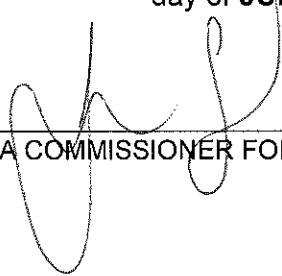
LIPMAN, ZENER & WAXMAN LLP
Barristers and Solicitors
1220 Eglinton Avenue West
Toronto, Ontario
M6C 2E3

JASON D. SPETTER
Law Society Registration No. 46105S

Tel.: 416-789-0652
Fax: 416-789-9015
Email: jspetter@lzwlaw.com

Lawyers for Newstart Financial Inc. and
Newstart Acceptance Inc.

This is Exhibit "F" referred to in the
Affidavit of **DAVID BAKER**
sworn before me, this 11th
day of **JULY**, 2016



A COMMISSIONER FOR TAKING AFFIDAVITS


Newstart Financial Inc. and Newstart Acceptance Inc.
Statement of Projected Cash Flow
For the Period July 2, 2016 to September 2, 2016 (the "Period")
 (Prepared by management of Newstart Financial Inc. and Newstart Acceptance Inc.)
 \$Cdn

Weeks-Ending	1		2		3		4		5		6		7		8		9		Total
	08-Jul-16	15-Jul-16	22-Jul-16	29-Jul-16	05-Aug-16	12-Aug-16	19-Aug-16	26-Aug-16	02-Sep-16	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Receipts																			
Net Lease Receipts	25,287	22,429	37,376	22,429	24,553	21,858	36,377	21,858	23,687	23,835									
Other Receipts	2,750	5,250	2,750	5,750	2,750	2,750	2,750	3,250	2,700	30,200									
Total Receipts	28,037	27,679	40,126	28,179	27,303	24,608	39,127	25,108	25,887	266,035									
Disbursements																			
Warranty and VIP Program Costs	1,235	1,235	1,235	1,235	1,185	1,185	1,185	1,185	1,185	10,592									
Repossession Expenses	974	974	974	974	1,024	1,024	1,024	1,024	1,024	8,846									
HST Remittances	-	-	7,394	-	-	-	6,009	-	-	13,403									
Portfolio Servicing Expenses:																			
Payroll	14,371	5,069	10,928	990	14,351	5,049	10,908	970	14,175	76,811									
Premises	9,938	652	9,938	-	9,938	662	9,938	-	9,938	51,014									
Computer	1,700	100	100	100	1,700	100	100	100	1,680	5,680									
Insurance	-	3,417	-	-	-	3,417	-	-	-	6,834									
Office and other Expenses	1,843	890	890	890	870	870	870	870	1,843	5,529									
Total Disbursements	16,581	7,279	20,532	3,200	15,560	7,258	19,125	3,179	15,938	109,651									
Net Cash Flow from Operations	11,456	20,400	19,594	24,979	10,744	17,350	20,002	21,929	9,949	156,384									
Professional Fees	8,650	8,650	8,650	19,950	8,650	8,650	8,650	19,950	8,650	100,450									
Net Cash Flow	2,786	11,750	10,944	5,029	2,094	8,700	11,352	1,979	1,299	55,934									
Cash position																			
Opening cash position	172,977	175,763	187,513	198,457	203,487	205,580	214,281	225,632	227,612	172,977									
Net cash flow	2,786	11,750	10,944	5,029	2,094	8,700	11,352	1,979	1,299	55,934									
Closing cash position	175,763	187,513	198,457	203,487	205,580	214,281	225,632	227,612	228,911	228,911									

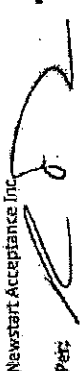
This Statement of Projected Cash Flow of Newstart Financial Inc. and Newstart Acceptance Inc. is prepared in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Second Report by the Proposal Trustee on the and the notes attached hereto.

Dated this 11th day of July 2016

Newstart Financial Inc. and Newstart Acceptance Inc.

Per: 
 David Baker

the Trustee re: the Proposal of Newstart Financial Inc. and Newstart Acceptance Inc.

Per: 
 Rahm Dodick, CPA, CA, CFP, IIT

Newstart Financial Inc. and Newstart Acceptance Inc.
Notes to Cash Flow Statement
For the Period July 2, 2016 to September 2, 2016 (the "Period")
(Prepared by management of Newstart Financial Inc. and Newstart Acceptance Inc.)

- 1 Opening cash position represents the book balance at the close of business on July 1, 2016.
- 2 Net lease receipts are comprised of:
 - a. pre-authorized debits due from outstanding leases and loans. Includes accounts currently in good standing as well as delinquent accounts that have not been deemed uncollectible;
 - b. deductions for provision for pre-authorized debits that are returned by the bank for insufficient funds or any other reason. The provision is calculated based on 35% of the pre-authorized debits based on recent experience; and
 - c. payments received from customers by other payment methods - e.g. email transfer, wire transfer, certified cheque, bank draft.
- 3 Other receipts consist of:
 - a. proceeds of sale of repossessed vehicles sold on an "as is" basis unless small repairs will result in obvious increase in sales proceeds;
 - b. proceeds of sale of vehicles in inventory sold on an "as is" basis as at the date of filing the NOI;
 - c. proceeds of insurance relating to leases where the car has been in an accident and is written off by the insurer; and
 - d. receipts from Newstart Acceptance Inc. ("NAI") portfolio. NAI's portfolio consists of defaulted leases transferred to NAI by Newstart Financial Inc. ("NFI") as well as 2 small portfolios purchased by NAI.

The Cash Flow Statement excludes proceeds collected from early buy-outs of leases. From time to time, a customer will prepay the remainder of his/her lease and take ownership of the vehicle. The lease agreements permit a buy-out at the principal balance then owing under the lease.

- 4 Represents costs to fulfill obligations under Customer Warranty Program and VIP Program calculated as follows:
 - a. The average annual historical warranty cost per car is \$140. Warranty is limited to 12 month powertrain coverage and is subject to mileage maximums. We have assumed that warranty cost is equal on monthly basis and only includes expense for the remainder of the 12 month coverage period.
 - b. Cost per car per month for VIP Coverage averaged \$7/month and includes cost for CAA and complimentary oil changes. Covers entire term of the lease.
- 5 Includes the average \$400 cost/car to effect a repossession (based on historical average cost) plus cost of maintaining tow truck used for repossession.
- 6 Monthly HST remittance payable in last week of the month based on net amount owing from immediately preceding month.
- 7 Headcount was reduced by 50% by May 1, 2016. Remaining headcount required to service portfolio and assist with a sales process consists of four people.
- 8 The premises' space was reduced by 50% on May 1, 2016. NFI is charged 50% of the remaining rent and utilities beginning May 1, 2016.
- 9 Monthly software license and maintenance expense and IT support.
- 10 Monthly cost of all insurance coverages based on current coverages and premiums charged.
- 11 Office and other expenses are comprised of:
 - a. office expenses for supplies and sundry requirements;
 - b. bank charges for processing pre-authorized debits and costs of dishonoured payments. Historical avg monthly cost per contract is \$4.69; and
 - c. licensing charges on transfer of leased vehicles.
- 12 Professional Fees are the costs of legal counsels and the Proposal Trustee during the Period.
- 13 It is assumed that during the Period NFI will not underwrite new leases; will operate in run-off and carry-out the court sanctioned sales process.

Court File No. 31-2117950

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	THURSDAY, THE 14 th DAY OF
)	
JUSTICE)	JULY, 2016

IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

ORDER

THIS MOTION, made by (the “Newstart”), pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 1985, c B-3, as amended (the “BIA”) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of David Baker sworn July 11, 2016 and the Exhibits thereto (the “Baker Affidavit”), the Second Report of Dodick & Associates Inc., (the “Proposal Trustee”) dated July 11, 2016 (the “Second Report”) and on hearing submissions of counsel for the Debtor, the Proposal Trustee, no one appearing for any of the other parties on the Service List, although duly served,

Service:

1. **THIS COURT ORDERS** that the time for service of the Newstart’s Notice of Motion and Motion Record and the Second Report is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

Extension of Time:

2. **THIS COURT ORDERS** that the time for filing of the Proposal, and the stay of proceedings herein, are extended in accordance with Section 50.4(9) of the BIA, to and including August 30, 2016.

General:

3. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Debtor, the Proposal Trustee and their respective 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 Debtor and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Debtor and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

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

5. **THIS COURT ORDERS** that any interested party (including Newstart and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

IN THE MATTER OF THE PROPOSAL OF
NEWSTART ACCEPTANCE INC.
OF THE CITY OF PICKERING, IN THE PROVINCE OF ONTARIO

Court File No. 31-2117950

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at

TORONTO

ORDER

LIPMAN, ZENER & WAXMAN LLP
Barristers and Solicitors
1220 Eglinton Avenue West
Toronto, Ontario
M6C 2E3

JASON D. SPETTER
Law Society Registration No. 46105S

Tel.: 416-789-0652

Fax: 416-789-9015

Email: jspetter@lzwlaw.com

Lawyers for Newstart Financial Inc. and
Newstart Acceptance Inc.

IN THE MATTER OF THE PROPOSAL OF
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ONTARIO
SUPERIOR COURT OF JUSTICE
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TORONTO

MOTION RECORD
(returnable Thursday July 14, 2016)

LIPMAN, ZENER & WAXMAN LLP
Barristers and Solicitors
1220 Eglinton Avenue West
Toronto, Ontario M6C 2E3

JASON D. SPETTER
Law Society Registration No. 46105S

Tel.: 416-789-0652

Fax: 416-789-9015

Email: jspetter@lzwlaw.com

Lawyers for Newstart Financial Inc. and
Newstart Acceptance Inc.