

Court File No. 32-2634165
Estate File No. 32-2634165

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
(COMMERCIAL LIST)

IN THE MATTER OF THE *BANKRUPTCY AND*
***INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

IN THE MATTER OF THE PROPOSAL OF 1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

MOTION RECORD

August 10, 2020

WEISZ FELL KOUR LLP
100 King Street West
Suite 5600
Toronto, ON M5X 1C9

Sharon Kour
LSO No. 58328D
skour@wfkllaw.ca
Tel: 416.613.8283

Christopher McGoey
LSO No. 79679K
cmcgoey@wfkllaw.ca
Tel: 416.613.8284

Fax: 416.613.8290

Lawyers for the Proposal Trustee

TO: **THE SERVICE LIST**

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TAB 1

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NOTICE OF MOTION
(Re: Approval of Proposal – Returnable August 11, 2020)

DODICK LANDAU INC., in its capacity as proposal trustee (the “**Proposal Trustee**”) of 1348441 Ontario Inc. operating as Solutions Your Organized Living Store (“**Solutions**” or the “**Debtor**”), will make a motion to a Judge presiding over the Ontario Superior Court of Justice (Commercial List) on August 11, 2020, at 12:30 p.m. or as soon after that time as the motion can be heard by judicial teleconference via Zoom at Toronto, Ontario. Please refer to the conference details attached as Schedule “A” hereto in order to attend the motion and advise if you intend to join the motion by emailing Christel Paul at cpaul@wfklaw.ca.

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

THE MOTION IS FOR:

1. An Order, substantially in the form attached at Tab “4” of the Motion Record, among other things:
 - a) abridging and validating the timing and method of service of this Notice of Motion and Motion Record herein and declaring that this motion is properly returnable on Tuesday, August 11, 2020, and dispensing with further service thereof;
 - b) approving the proposal made by Solutions pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”);
 - c) authorizing Solutions and the Proposal Trustee to take all steps and actions necessary or appropriate to implement the proposal in accordance with its terms; and,
 - d) approving the First Report of the Proposal Trustee dated April 20, 2020, the Report on Proposal of the Proposal Trustee dated June 16, 2020 (the “**Report on Proposal**”), and the Third Report of the Proposal Trustee dated August 7, 2020, as well as the conduct and activities of the Proposal Trustee as described therein.

2. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

General Overview

3. Since its inception, the Debtor has carried on business as a retailer of storage solutions under the tradename “Solutions Your Organized Living Store” or, colloquially, “Solutions”.

4. The Debtor is incorporated under the Ontario *Business Corporations Act*, RSO 1990, c B-16 has a head office and distribution centre located at 1775 Sismet Road in Mississauga, Ontario.
5. On March 26, 2020, the Debtor filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to section 50.4 of the BIA. Dodick Landau Inc. was named Proposal Trustee in the Debtor’s proposal proceedings.
6. On April 22, 2020, the Court granted an Order that, among other things, approved an extension of time for the Debtor to file a proposal up to and including June 9, 2020.
7. On June 9, 2020, the Debtor filed the Proposal with the Official Receiver pursuant to section 62 of the BIA. A Certificate of Filing a Proposal was issued by the Office of the Superintendent of Bankruptcy (the “**OSB**”).
8. On June 16, 2020, the Proposal Trustee gave notice to the Debtor, the OSB, and to every known creditor affected by the Proposal of a meeting of creditors to be held on June 26, 2020 to consider and vote on the Proposal (the “**Meeting**”). Included in the Notice was, *inter alia*, the Report on Proposal.
9. On June 26, 2020, the Meeting was held by video conference due to the COVID-19 public health crisis. The Proposal Trustee presided over the meeting and reported to the creditors on the matters required pursuant to the BIA. The Proposal Trustee reviewed the Report on Proposal and the terms of the proposal (the “**Proposal**”).
10. The Proposal was accepted by a requisite majority of creditors comprising of 98.21 per cent in number and in excess of two thirds in value of the creditors entitled to vote.

11. On or about July 17, 2020, the Proposal Trustee, through counsel, obtained the court date for the hearing of a motion to approve the Proposal. On July 21, 2020, the Proposal Trustee sent a notice of the hearing to Solutions, every creditor who has proved a claim and to the Official Receiver in accordance with s 58 of the BIA.

The Proposal

12. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Proposal.
13. The Proposal accepted by Solutions' Creditors provides, among other things, that:
 - a) the Crown Claims described at s. 60(1.1) of the BIA will be paid in full within six months of the date on which the Proposal is approved by this Court (the "**Court Approval Date**");
 - b) secured creditors are not Affected Creditors for the purposes of the Proposal. Solutions has otherwise entered into a formal forbearance with its primary secured creditor, the Bank of Nova Scotia, who has agreed to support Solutions' restructuring efforts;
 - c) preferred claims will be paid in full, without interest, in priority to general unsecured claims;
 - d) commencing on October 1, 2020, and for each month thereafter, Solutions will cause to be paid to the Proposal Trustee cash installments of \$5,555.55, for a period of three (3) years until an amount is paid to the Proposal Trustee equal to the lesser of: (i) 20% of the value of the Proven Claims; and (ii) \$200,000.00 (the "**Funded Proposal**");

Payment”), less Crown Claims and Employee Preferred Claims, which shall be paid in addition to the Funded Proposal Payment (the “**Additional Funds**”);

- e) the Employee Preferred Claims shall be paid immediately following the Court Approval Date out of such Additional Funds in respect of all Proven Employee Preferred Claims;
 - f) the Proposal Trustee will make interim distributions to the Unsecured Creditors when sufficient amounts have, in the Proposal Trustee's discretion, accumulated to warrant a distribution;
 - g) All distributions made by the Proposal Trustee pursuant to the Proposal are subject to the Superintendent's Levy in accordance with the BIA. As the Secured Creditors will receive payments from the Purchaser directly, such payments are not distributions by the Proposal Trustee and not subject to the Superintendent's Levy.
14. In accordance with the terms of the Proposal, the Proposal Trustee is required to make distributions in the following order of priority:
- a) to pay Administrative Fees and Expenses;
 - b) to establish a bankruptcy reserve of \$20,000 to be held in trust by the Proposal Trustee to fund the Administrative costs of Solutions in the event of a bankruptcy;
 - c) to pay proven claims of Preferred Creditors other than those with Employee Preferred claims which will have been satisfied out of Additional Funds, without interest;
 - d) to pay proven claims of General Unsecured Creditors.

15. During the Proposal period, Solutions shall provide to the Proposal Trustee every three months, commencing on first day of the month following the month in which the Approval Order is issued, a report containing (i) a cash flow statement with Solutions' actual cash flow for the business for the prior three months; and (ii) evidence of Solutions' filing and remittance of source deductions and HST.
16. The Proposal is conditional upon Court Approval.

The Proposal Trustee Respectfully Requests that this Court Approve the Proposal

17. The Proposal Complies with the general scheme for proposals set out in the BIA. The terms of the Proposal are reasonable and for the general benefit of the creditors of Solutions.
18. The Proposal Trustee has analyzed the net expected recovery to the Creditors based on the estimated value of the assets of Solutions as at May 22, 2020, as set out in the Report on Proposal. The Proposal Trustee is of the view that the Creditors of Solutions will derive a more favorable result under the terms of the Proposal than through a liquidation sale of the Debtor's assets in a bankruptcy.
19. The relief sought is appropriate under the circumstances. All statutory requirements for the approval of the Proposal have been met.
20. No offences of facts have been proved against the debtor that would justify the Court withholding its approval.

Further Grounds

21. Sections 58, 59, and 60(5) of the BIA;

22. Rules 1.04, 2.03, 3.02, 16, 37, and 40 of the *Rules of Civil Procedure*, RSO 1990, Reg 194;
23. Such further and other grounds as counsel may advise and this Honorable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED ON THE HEARING OF THE MOTION:

24. The First Report of the Proposal Trustee, dated April 20, 2020;
25. The Report on Proposal of the Proposal Trustee, dated June 16, 2020;
26. The Third Report of the Proposal Trustee, dated August 7, 2020; and,
27. Such further and other evidence as counsel may advise and this Honourable Court may permit.

August 10, 2020

WEISZ FELL KOUR LLP
100 King Street West, Suite 5600
Toronto, ON M5X 1C9

Sharon Kour
LSO No. 58328D
skour@wfkllaw.ca
Tel: 416.613.8283

Christopher McGoey
LSO No. 79679K
cmcgoey@wfkllaw.ca
Tel: 416.613.8284

Fax: 416.613.8290

Lawyers for the Proposal Trustee

TO: **THE SERVICE LIST**

**Schedule “A”
Conference Details to join Motion via Zoom**

Join Zoom Meeting

<https://us02web.zoom.us/j/89609518456>

Meeting ID: 896 0951 8456

One tap mobile

+15873281099,,89609518456# Canada

+16473744685,,89609518456# Canada

Dial by your location

+1 587 328 1099 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

+1 778 907 2071 Canada

+1 204 272 7920 Canada

+1 438 809 7799 Canada

Meeting ID: 896 0951 8456

Find your local number: <https://us02web.zoom.us/u/kc401eDPcI>

TAB 2

Court File No. 32-2634165
Estate File No. 32-2634165

**IN THE MATTER OF THE PROPOSAL OF
1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA
IN THE PROVINCE OF ONTARIO**

REPORT OF TRUSTEE ON PROPOSAL

JUNE 16, 2020

INTRODUCTION

1. On March 26, 2020 (the "Filing Date"), 1348441 Ontario Inc. (o/a Solutions Your Organized Living Store) (the "Debtor", "Company" or "Solutions") filed with the Official Receiver a Notice of Intention to Make a Proposal ("NOI") to its creditors pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (the "BIA") and named Dodick Landau Inc. ("DLI") as Proposal Trustee (the "Proposal Trustee"). Enclosed as Appendix "A" is a copy of the Certificate of Filing of a Notice of Intention to Make a Proposal.
2. On April 22, 2020:
 - i. in accordance with Section 50.4(9) of the Bankruptcy and Insolvency Act (the "BIA"), the Debtor sought and obtained approval from the Superior Court of Justice (the "Court") to extend the time for filing the Proposal, and the stay of proceedings herein, up to and including June 9, 2020;
 - ii. the Court authorized the Debtor to borrow for general corporate purposes up to \$500,000 under a debtor-in-possession credit facility ("DIP Loan") from Mr. Rick Walia (the "DIP Lender") and the DIP Lender was granted a charge over the current and future assets of the Debtor as security for the borrowings; and
 - iii. the Court granted a charge of up to \$100,000 to legal counsel to the Company, the Proposal Trustee and legal counsel to the Proposal Trustee as security for their professional fees and disbursements in respect of these proceedings.

Enclosed as Appendix "B" is a copy of the April 22, 2020 Court Order and Endorsement.

3. On June 9, 2020, pursuant to section 62 of the BIA, the Debtor filed with the Official Receiver a proposal (the **"Proposal"**). Enclosed as **Appendix "C"** is a copy of the Certificate of Filing of a Proposal.
4. The purpose of this report (the **"Report"**) is to provide information to the creditors of the Debtor (the **"Creditors"**) to assist in their evaluation of the Proposal.
5. The Proposal has been developed to effect a restructuring of the Debtor with the expectation that all existing Creditors will derive a greater benefit from the completion of the restructuring and the continued operation of the business and affairs of the Debtor than would result from a liquidation of the Debtor's assets in a bankruptcy proceeding.
6. **A meeting of the Creditors to consider the Proposal will be held by video conference on June 26, 2020 at 11:00 a.m. Details relating to the filing of claims, and other documents, prior to the meeting of the creditors, are outlined in this report and will be mailed to each known Creditor, or their duly appointed representative.**

DISCLAIMER

7. In preparing this Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, the Company's books and records, discussions with the Company's management (**"Management"**), Creditors and information from other third-party sources (collectively, the **"Information"**). Except as described in this Report:
 - i. the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information;
 - ii. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants handbook, has not been performed; and
 - iii. the Proposal Trustee has prepared this Report in its capacity as a Court appointed officer and has made a copy of this Report available on DLI's website at www.dodick.ca. Parties using this Report, other than for the purpose of evaluating the Proposal, are cautioned that it may not be appropriate for their purposes. DLI will continue to maintain on its website

copies of any court orders, reports and other material public filings it considers relevant to this proceeding.

8. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
9. The capitalized terms not defined in this report are defined in the Proposal and this Report should only be read in conjunction with the Proposal. While this Report summarizes key aspects of the Proposal, Creditors are advised to carefully read the Proposal in full. Should there be any discrepancy between the summary contained in this Report and the Proposal, the Proposal shall govern.
10. Unless otherwise stated, all monetary amounts contained herein are in Canadian dollars.

BACKGROUND

Operations

11. Since its inception, the Debtor has carried on business as a retailer of storage solutions under the tradename "Solutions Your Organized Living Store" or, colloquially, "Solutions".
12. The Debtor operates out of a head office/distribution centre located at 1775 Sismet Rd in Mississauga, Ontario, which it leases from a related party who owns the building.
13. Until recently, the Debtor also operated twelve (12) retail stores throughout Ontario, all but one of which were sublet from a related party who stood as sublandlord.
14. As of March 1, 2020, the Debtor had 10 employees working in full-time office, administrative and management positions; and, approximately 150 hourly employees working in part-time retail or warehouse positions. The employees are non-unionized, and there is no employer-sponsored pension plan.
15. In light of COVID-19, the Debtor closed all its retail locations in March 2020 as mandated by the Province of Ontario's shut down of non-essential businesses and subsequently decided to permanently close nine out of its twelve retail locations and transferred all inventory, and certain equipment, from these locations to its distribution centre.

16. In conjunction with such closures, the Debtor placed all of its retail store, warehouse, and certain head office, employees on temporary lay-off which for many have resulted in permanent terminations due to nine of the stores not reopening.
17. The Debtor reopened its three remaining retail locations during the week-ended May 24, 2020 as well as its online store.
18. Solutions currently employs 23 full, and part-time, employees at its retail locations and its warehouse. Since its reopening, Solutions has recommenced servicing its customers and maintaining its remaining business in both "brick and mortar" and online formats.

Financial Results

19. Solutions' unaudited financial statements indicate that for its fiscal years ended March 31, 2018, and 2019, it:
 - i. incurred net income (loss) of \$200,380 for the 2018 fiscal year and (\$1,199,344) for the 2019 fiscal year; and
 - ii. had total debt of approximately \$10.4 million in the 2018 fiscal year, and \$12.3 million in the 2019 fiscal year.
20. Solutions' unaudited financial statements for its third quarter- ended December 31, 2019 indicate that it incurred an operating loss of \$666,707 and had total debt of approximately \$12.9 million.

CAUSES OF FINANCIAL DIFFICULTIES

21. In its fiscal year-ended March 31, 2019, Solutions' experienced an approximately 15% decrease in sales over fiscal year ended March 31, 2018. According to Management, this was a result of three principal challenges:
 - i. commencing in 2018, a new competitor opened seven competing stores in Solutions' key markets;
 - ii. the loss of a key supplier relationship; and
 - iii. although the growth of digital retail did not initially impact the storage solutions market, its effects were felt in 2019 resulting in declining sales.

22. In its attempt to counter these effects, the Debtor: (a) made strategic decisions on staffing and products; and (b) continued to invest in and evolve its own online retail platform.
23. Each of the above strategies was promising and the Debtor was seeing improved results at the end of 2019. However, the impact of COVID-19 was too much for the Debtor to manage.
24. The effects of COVID-19 were felt first by a decline in foot traffic and sales in early February 2020 followed by the general business “lock-down” which took effect at the end of March 2020. The provincially mandated closure coupled with demands being issued by The Bank of Nova Scotia (“BNS”) (discussed further herein) resulted in the NOI being filed by Solutions on March 26, 2020.

SECURED AND UNSECURED DEBT

Secured Creditors

BNS

25. On June 25, 2018, BNS and the Debtor entered into a commitment letter (the “**Commitment Letter**”).
26. As security for its obligations to BNS, the Debtor executed a general security agreement in favour of BNS, granting to BNS a security interest in all of the Debtor’s present and after acquired personal property, which security is registered against the Debtor pursuant to the Ontario Personal Property Security Act (the “**PPSA**”).
27. Pursuant to the Commitment Letter, BNS made various credit facilities available to the Debtor, which facilities were drawn on by the Debtor. As at March 26, 2020, the date of the NOI, the Debtor was indebted to BNS under the Commitment Letter in the approximate aggregate amounts of (CAD) \$5,453,820 and (USD) \$387,834.
28. The indebtedness to BNS is also guaranteed by the related entity which owns the real property in which the head office/distribution centre is located.
29. Immediately prior to the filing of the NOI, BNS issued demands for repayment and notices under Section 244 of the BIA as against the Debtor and all guarantors. The Debtor had previously engaged in discussions with BNS and waived the notice period under the Section 244 notices, on the understanding that BNS would support the Debtor’s efforts to restructure its business. The Debtor also entered into a formal forbearance with BNS to facilitate its restructuring efforts through the NOI and proposal periods. A key term in the forbearance was that the Debtor was required to file its Proposal on or before June 10, 2020.

Related Party Loans

30. According to Management, pursuant to various loans, the Debtor is indebted to Mr. Walia, the sole shareholder of the Debtor, in the aggregate amount of approximately \$6.3 million ("**Related Party Loans**"). The Related Party Loans were excluded from the initial creditor list provided by the Debtor to the Proposal Trustee and, therefore, were not included on the creditor list appended to the NOI.
31. The Related Party Loans are secured by a general security agreement executed by the Debtor, and registered pursuant to the PPSA, on March 17, 2020. Based on the Proposal Trustee's review of the Debtor's financial statements, the Proposal Trustee understands that the Related Party Loans existed prior to March 17, 2020, however, it appears they were unsecured until March 17, 2020.
32. The Proposal Trustee has not obtained a security opinion on the validity of the security granted in relation to the Related Party Loans. However, it appears that based on the timing of registration of the security, the security granted in respect to the Related Party Loans is subordinate to BNS's security, Crown Priority Claims and the Employee Priority Claims which have super-priority status.

Crown Claims

33. The Company is indebted to CRA for approximately \$23,000 for pre-filing unremitted source deductions. As of the date of this Report, Solutions is current in remitting post-filing payroll source deductions, as well as filing the respective returns. However, Solutions is past due in filing its stub-period March 2020 and April 2020 HST returns, each due at the end of the following month. According to Management, preparation of the HST returns is in process and will be completed by the end of June 2020.

Employee Preferred Claims

34. As of the date of this Report, Employee Preferred Claims are estimated by Management to be approximately \$107,000 which represents unpaid wages and vacation pay owed to approximately 150 employees of the Debtor. These amounts would be subject to super-priority in the BIA pursuant to sections 81.3 in the case of a bankruptcy and a preferred claim pursuant to section 60(1.3)(a) of the BIA in the case of a Proposal.

Unsecured Trade Creditors

35. According to Management, Solutions' unsecured trade debt totaled approximately \$958,000 at the date the NOI was filed. The unsecured indebtedness is owed to approximately 80 known unsecured trade creditors.

THE PROPOSAL

Class

36. For the purpose of the Proposal, the Creditors of the Company are comprised of a single class, consisting of Creditors having unsecured claims ("**Class 1**").
37. For greater certainty, the Creditors entitled to vote in Class 1 consist of unsecured trade creditors (i.e., holding claims without priority under the BIA), Preferred Creditors pursuant to the BIA, and claims of Her Majesty in right of Canada and any province for all amounts other than Crown Priority Claims.

Treatment of Creditors

38. **Crown Priority Claims** are pre-filing claims of CRA, or any province, contemplated by section 60(1.1) of the BIA, which section relates to unremitted source deductions. Pursuant to the Proposal, proven Crown Priority Claims will be paid in full, with only payment of Administrative Fees and Expenses and the Bankruptcy Reserve being paid in priority to such amounts. The Proposal provides that proven Crown Priority Claims will be remitted to the CRA or the province (as applicable) from amounts to be paid by the Company to the Proposal Trustee in addition to Funded Proposal Payments (as defined and discussed further herein) Such remittances are to be made within six (6) months of the Court Approval Date. The Debtor owes approximately \$23,000 to CRA for unremitted source deductions.
39. **Secured Creditors** are not Affected Creditors for the purposes of the Proposal. The Secured Creditors are not entitled to vote on the Proposal. For greater certainty, the Company acknowledges and agrees that BNS is not an Affected Creditor in the Proposal.
40. **Employee Preferred Claims** shall vote as part of the Unsecured Creditor class and will be paid from additional funds to be delivered by the Debtor to the Trustee and shall be remitted by the Trustee to the entitled claimants, if any, immediately after the Effective Date ("**Additional Funds**").

41. **Preferred Claims**, if any, shall vote as part of the Unsecured Creditor class and will be paid in full without interest out of the Funded Proposal Payments, in priority to all claims of Unsecured Creditors in accordance with the scheme of distribution set forth in the BIA.
42. **Unsecured Creditors** shall vote as a class and will be paid from the Funded Proposal Payments on a pro rata basis as provided for in paragraph 16 of the Proposal and summarized below.

Funding the Proposal

43. The Company's obligation to fund the Proposal shall commence on October 1, 2020. The Company will cause to be paid to the Proposal Trustee payments in the form of monthly cash instalments in the aggregate amount of \$5,555.55 every month.
44. The Proposal Payments will be made over a three (3) year period until an amount is paid to the Proposal Trustee equal to the lesser of:
 - i. 20% of the value of the Proven Claims; and
 - ii. \$200,000 ("Funded Proposal Payment").

These amounts shall not include Crown Claims, and Employee Preferred Claims, which shall be paid in addition to the Funded Proposal Payment.

Distributions

Crown Claims

45. The Proposal Trustee shall issue distributions to CRA out of such additional funds in respect of all Proven Crown Claims within six months of the Effective Date.

Employee Preferred Claims

46. In accordance with the terms of the Proposal, immediately following the Effective Date, the Proposal Trustee shall issue distributions out of such Additional Funds in respect of all Proven Employee Preferred Claims.

Unsecured Creditors

47. In accordance with the terms of the Proposal, the Proposal Trustee will make interim distributions to the Creditors when sufficient amounts have, in the Proposal Trustee's discretion, accumulated to warrant a distribution.

48. All distributions made by the Proposal Trustee pursuant to the Proposal are subject to the Superintendent's Levy in accordance with the BIA. As the Secured Creditors will receive payments from the Purchaser directly, such payments are not distributions by the Proposal Trustee and not subject to the Superintendent's Levy.
49. The Funded Proposal Payments will be distributed by the Proposal Trustee in the following order of priority:
- i. *Administrative Fees and Expenses* - To fund all administrative fees and expenses of the Proposal Trustee, including the legal fees of the Trustee and the Debtor.
 - ii. *Bankruptcy Reserve* - To establish a reserve of \$20,000 to be held in trust by the Proposal Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Company in the event that the Proposal is annulled and the Company becomes bankrupt, failing which such amount shall be distributed to the Creditors in the priority set out in the Proposal.
 - iii. *Proven Claims of Preferred Creditors* – To pay all Proven Preferred Claims, if any, other than Employee Preferred Claims which will have been satisfied out of Additional Funds, without interest.
 - iv. *Proven Claims of Unsecured Creditors* – The remainder will be distributed among all the Unsecured Creditors, who will share *pro rata* out of the funds available after payment of the foregoing.

Reporting by the Company

50. During the Proposal period, the Company shall provide to the Proposal Trustee every three months commencing on first day of the month following the month in which the Approval Order is issued, a report containing the information set out below:
- i. a cash flow statement with the Company's actual cash flow for the business for the prior three months; and
 - ii. evidence of the Company's filing and remittance of source deductions and HST.

OVERVIEW OF THE DEBTOR'S WEEKLY CASH FLOW FORECAST

51. The Debtor, with the assistance of the Proposal Trustee, has prepared a cash flow forecast for the period from May 25, 2020 to August 30, 2020 ("**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "D"** to this Report. The Cash Flow Forecast has been prepared by Management of the Debtor for the purpose of this motion, using probable and hypothetical assumptions set out in notes 1 to 13 attached to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the fourteen-week forecast period in Canadian dollars.
52. The Cash Flow Forecast projects that the Debtor will have sufficient liquidity to a) fund its expenses in the Proposal proceeding through to August 30, 2020; b) repay the DIP Loan; and c) commence paying down its line of credit with BNS.
53. Since the filing of the NOI the Debtor has experienced a positive net cash flow variance of approximately \$200,000 for the period from March 23, 2020 to May 24, 2020. ("**Cash Flow Variance**"). A copy of the Cash Flow Variance is included with Appendix "D". The Cash Flow Variance is primarily a timing difference on account of unpaid rent for certain of the Debtors' remaining retail stores as well as unexpected receipts from the reopening of the Debtors' three remaining retail locations in late May 2020, due to the relaxation of COVID-19 restrictions. The Debtor's preliminary forecast assumed that its retail locations would only be able to reopen in June 2020. The Proposal Trustee has been advised that the Debtor is working with certain landlords to apply for a government subsidy under the Canada Emergency Commercial Rent Assistance Program ("**CECRAP**"). As a result, the variance attributable to rent which is currently a timing difference may become a permanent difference should the landlords be approved for the CECRAP rent subsidies.
54. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by certain of the Management and employees of the Debtor. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of the Debtor for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
55. Based on the Proposal Trustee's review, nothing has come to its attention to cause it to

believe that, in all material respects:

- i. the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - ii. as at the date of this Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtor or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
 - iii. the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.
56. As described in the Disclaimer above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results may vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material.
57. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

LIQUIDATION ANALYSIS / ESTIMATED RECOVERY IN BANKRUPTCY

Liquidation Analysis

58. In the event that the Proposal is not accepted by the Creditors and the Debtor is deemed bankrupt, the following liquidation analysis represents the estimated value of the Debtor's assets should there be a liquidation.
59. The Proposal Trustee has relied on representations of the Company in determining the estimated liquidation value of the assets. The liquidation analysis was prepared at a point in time, being May 22, 2020, before the stores reopened. Following the reopening of the stores, the value of the inventory will change daily as sales are made and a limited amount of new inventory is received into the retail locations. Accordingly, in the event that the Company were to become bankrupt and a liquidation was conducted, the realizable value of the assets at that time may be different than presented below.

Summary of Estimated Liquidation Value - Solutions		
As at May 22, 2020		
(000's)		
	Notes	Total
Receipts		
Cash		nil
Inventory	1	5,210,720
furniture, fixtures	2	200,000
Total Receipts		5,410,720
Disbursements		
Employee costs	3	150,000
Liquidator's fee	4	405,804
Occupancy costs	5	707,640
Total Disbursements		1,263,444
Net Cash Flow from Liquidation		\$ 4,147,276

Notes:

1. *Inventory in the three remaining stores and the warehouse consists of storage products and it is assumed it can be liquidated on average at 80% of book value over 4-months.*
2. *Furniture and fixtures from the retail locations as well as warehouse equipment and certain vehicles with a book value of approximately \$1.0 million is estimated to be liquidated at 20% of book value over 4-months.*
3. *Employee costs consist of the retention of 50% of the remaining employees for a period of 4 months to assist with the liquidation of the inventory on hand in the retail stores and distribution center including the furniture and fixtures.*
4. *A liquidator is assumed to be paid on average 7.5% of the net realizable value of the inventory and furniture/fixtures.*
5. *Occupancy costs are assumed to be paid to occupy Solutions' remaining three leased retail premises and head office for a 4-month liquidation period.*

Estimated Recovery – Bankruptcy vs. Proposal Scenario

60. The following chart (which is rounded to the nearest thousands of dollars) sets out the expected recovery to BNS, Employee Preferred Claims and the Unsecured Creditors under a Liquidation/Bankruptcy scenario and the Proposal scenario. As can be seen below, the net estimated recovery to:

- i. the Unsecured Creditors in a liquidation/Bankruptcy scenario is **NIL** versus approximately **14%** under the Proposal scenario; and
- ii. BNS in a liquidation/Bankruptcy scenario is **66%** versus an expected **100%** under the Proposal Scenario as BNS is an unaffected creditor in a Proposal Scenario and is expected to be repaid in full by way of a refinancing outside of the Proposal proceeding.

Estimated Recovery in a Liquidation/Bankruptcy Scenario		Estimated Recovery in a Proposal Scenario	
Liquidation Value of Assets	4,147	Funded Proposal Payments (note 1)	200
Less: Crown Priority Claims - Deemed Trust Portion (note 2)	- 23	Less: Crown Priority Claims - Deemed Trust Portion (note 2)	n/a
Less: Employee Preferred Claims (note 3)	- 107	Less: Employee Preferred Claims (note 3)	n/a
Less: Estimated Professional fees and expenses (note 4)	- 60	Less: Estimated Professional fees and expenses (note 4)	- 60
Less: Secured Claim to be filed by BNS (note 5)	- 6,000	Less: Secured Claim to be filed by BNS (note 5)	n/a
Shortfall to BNS	<u>- 2,043</u>		140
		Less: Superintendent's Levy (note 6)	- 10
		Net amount available for Preferred and Unsecured Creditors	130
		Estimated Claims of Preferred Creditors (note 7)	-
		Net amount available for Unsecured Creditors	<u>130</u>
		Estimated Claims of Unsecured Creditors	<u>958</u>
Estimated Recovery to BNS	<u>66%</u>	Estimated Recovery to Secured Creditors	<u>n/a</u>
Estimated Recovery to Other Secured Creditors	<u>NIL</u>	Estimated Recovery to CRA for Crown Claims	<u>100%</u>
Estimated Recovery to CRA for Crown Claims	<u>100%</u>	Estimated Recovery to Employee Preferred Creditors	<u>100%</u>
Estimated Recovery to Employee Preferred Creditors	<u>100%</u>	Estimated Recovery to Unsecured Creditors	<u>14%</u>
Estimated Recovery to Unsecured Creditors	<u>NIL</u>		

Notes:

1. For the purposes of the above analysis the aggregate amount of the Proposal payments is assumed to be \$200,000. However, the Company is required to pay the Proposal Trustee aggregate Proposal payments equal to the lesser of: 20% of the value of the proven Claims; and \$200,000. Therefore, the actual amount of the Proposal payments will differ based on the actual value of the proven Claims.
2. In both scenarios CRA will receive 100% of its deemed trust entitlement. In a Bankruptcy Scenario, CRA's deemed trust for Crown Priority claims would be paid in priority to all other claims from the net proceeds of liquidation, thereby reducing recovery to other creditors. In the Proposal Scenario, CRA will be paid from additional funds to be provided by the Company to the Proposal Trustee.
3. Employee Preferred Claims are also expected to be paid in full under either a Bankruptcy Scenario or a Proposal. For the purposes of the above analysis the Employee Preferred Claims are assumed to be \$107,000. The actual payment will depend on the value of the proven Employee Preferred Claims filed with the Proposal Trustee. Under the terms of the Proposal, Employee Preferred Claims shall receive distributions from the additional funds and not the Funded Proposal Payments.
4. This amount represents a provision for the estimated professional fees associated with a bankruptcy proceeding. In the case of a bankruptcy, the professional fees would be paid in priority to BNS pursuant to the Administration Charge. In the case of a proposal, professional fees include the cost of administering the proposal before and after Court approval and would be paid from the proposal payments.
5. BNS will receive no distributions pursuant to this Proposal. BNS is not an Affected Creditor as BNS expects to be refinanced outside of the Proposal. However, assuming BNS is not refinanced and there is a bankruptcy, BNS will be paid in priority to Crown Claims, Employee Preferred Claims and Trustee in Bankruptcy fees/disbursements and BNS is estimated to incur a \$2.0 million shortfall on the realization of its security and a 66% recovery on its loans.

In a bankruptcy/liquidation it is estimated that there will be no recovery to any other secured creditors. In the proposal scenario all secured creditors are unaffected by the proposal.

6. *The Superintendent's Levy is applicable to payments made to Preferred and Unsecured Creditors and is calculated as 5% of each payment. In the bankruptcy scenario it is assumed that a parallel receivership would be commenced by BNS to realize on its security which would result in no levy being withheld or remitted on realization of its security interest.*
7. *There are no known preferred claims other than Employee Preferred Claims.*

CREDITORS' MEETING/VOTING PROCEDURE AND CLASSES OF CREDITORS

Creditors' Meeting/Voting Procedure

61. The primary purpose of the Creditors' Meeting is to permit Creditors to consider the acceptance or rejection of the Proposal. For the Proposal to be accepted, at least two-thirds (66.67%) of each creditor class by dollar value, and more than 50% of each creditor class by number, must vote in favour of the Proposal at the meeting either in person, by proxy or by mailing a voting letter to the Proposal Trustee in advance of the meeting. Only Creditors who actually vote are counted for the purpose of determining whether the necessary thresholds have been reached. Creditors related to the Debtor may not vote for the Proposal.
62. **To be eligible to vote on the Proposal, Creditors must have filed with the Proposal Trustee, before the meeting, a proof of claim form signed and witnessed as required and accompanied by a statement of account or affidavit in support of the claim. Those Creditors who do not intend to have a personal representative at the meeting, to be held on June 26, 2020 by video conference, may complete and submit the voting letter which is enclosed in the creditor package prior to the meeting indicating their vote for or against the acceptance of the Proposal. The Proposal Trustee has also enclosed a form of proxy should a Creditor wish to appoint a proxy to represent them at the meeting. If the Proposal is not accepted by the required majorities of unsecured creditors, the Debtor will be deemed bankrupt.**
63. If the Proposal is accepted by the required statutory majorities referenced above, the Proposal Trustee will then make an application to the Court for approval of the Proposal. If the Court grants such approval (the "Approval Order"), the Proposal will be binding on all Creditors and such Creditors, and their respective heirs, executors, administrators, successors and assigns, shall have no further Claim against the Debtor other than for the distributions provided in the Proposal.

Class of Creditors

64. As described above, for purposes of considering, and voting on, the Proposal, and receiving a distribution pursuant to the Proposal, the Creditors are grouped in one (1) class consisting of Creditors having unsecured Claims. Preferred Creditors and proven Claims of Her Majesty in right

of Canada and any province for all amounts other than Crown Priority Claims are entitled to vote in the Unsecured Creditor Class.

65. The Proposal does not compromise the following Creditor Claims:
- i. Claims for goods and/or services delivered to the Company on or after the Date of Filing, March 26, 2020, including Administrative Fees and Expenses;
 - ii. Crown Priority Claims, if any;
 - iii. Proven Claims of Preferred Creditors, if any, payable in priority to all claims of Unsecured Creditors in accordance with the scheme of distribution set forth in the BIA; and
 - iv. Secured Creditor Claims.
66. Distributions to Creditors will be made as described in the "Distribution" section of this Report.

ALTERNATIVES TO THE PROPOSAL

67. At the Creditors' Meeting, the Creditors will be asked by the Proposal Trustee to choose between two alternatives, namely accepting the Proposal, or rejecting the Proposal, which would result in the Debtor being deemed bankrupt.
68. For the reasons described above, the Proposal Trustee is of the view that the Proposal Scenario, will produce a more favourable result for the Creditors of the Debtor than would the liquidation sale of the assets in a bankruptcy.

CONDUCT OF THE DEBTOR

Preference Transactions and Transfers at Undervalue

69. The Proposal contemplates that Sections 95-101 of the BIA shall not apply in connection with this Proposal and, as a result, the Proposal Trustee shall have no responsibility, liability or authority whatsoever in connection herewith. Accordingly, the Proposal Trustee has not undertaken a detailed review for possible preference transactions or transfers at undervalue.
70. If the Company was to become bankrupt, and either preference transactions or transfers at undervalue did occur, it is possible that some of these transactions could be found to be void through Court proceedings.

Conduct Post-Filing

71. Pursuant to Section 50(10) of the BIA, the Proposal Trustee is required to monitor the affairs of the Company until the Proposal is approved by the Court.
72. During the NOI Period, the Company worked diligently with the Proposal Trustee to prepare its Proposal, as well as to manage costs and continue operations. The Company is working diligently to complete the Proposal. The Debtor continues to run its day to day operations in its three remaining stores, and online, and is meeting its liquidity needs in order to be able to successfully implement the Proposal.

CREDITORS' CLAIMS

73. To date, 7 provable claims in the Proposal have been received by the Proposal Trustee.

PREVIOUS BUSINESS DEALINGS WITH THE DEBTOR

74. The Proposal Trustee has not had any business dealings with the Debtor prior to its appointment as Proposal Trustee and is not in a conflict of interest.

SUMMARY COMMENTS/RECOMMENDATION

75. For the reasons set out in this Report it is the Proposal Trustee's opinion that:
- i. the Proposal will allow for a greater recovery to the Creditors of the Company than they would receive in a liquidation of the Company's assets in a bankruptcy proceeding; and
 - ii. acceptance of the Proposal is in the best interest of the Creditors. If the Proposal is rejected by the Creditors, the Company will be deemed automatically bankrupt and it is uncertain what the actual realizable values of the assets will ultimately be in a bankruptcy scenario.
76. Accordingly, the Proposal Trustee recommends that the Creditors vote in favour of the Proposal.

Yours very truly,

DODICK LANDAU INC.

Trustee re the Proposal of 1348441 Ontario Inc.
and not in its personal or corporate capacity.

Per: 

Rahn Dodick, CPA, CA, CIRP, LIT

1348441 Ontario Inc. (o/a Solutions Your Organized Living Store)
Cash Flow Forecast Variance
For the period from May 11, 2020 to May 24, 2020 and March 23, 2020 to May 24, 2020

	May 11 to May 24, 2020				March 23 to May 24, 2020			
	Forecast	Actuals	Variance	Notes	Forecast	Actuals	Variance	Notes
Receipts								
Store Receipts (excluding taxes)	-	13,744	13,744		-	13,744	13,744	
Sales Taxes	-	1,787	1,787		-	1,787	1,787	
Total Receipts	-	15,530	15,530	1	-	15,530	15,530	1
Disbursements								
Cost of Sales	-	-	-		-	-	-	
Payroll	-	-	-		-	-	-	
Occupancy Costs (including HST)	-	-	-		(272,119)	(95,704)	176,415	2
HST payable	-	-	-		-	-	-	
Insurance	-	(1,503)	(1,503)	3	(4,000)	(1,503)	2,497	3
Transportation	-	-	-		-	(26,544)	(26,544)	4
Total Disbursements	-	(1,503)	(1,503)		(276,119)	(123,750)	152,368	
Net Cash flow from Operations (excl. restructuring costs)	-	14,027	14,027		(276,119)	(108,220)	167,899	
Less: Restructuring Professional Fees & Disbursements	(19,210)	(6,807)	12,403	5	(37,742)	(6,807)	30,935	5
Net Cash flow from Operations (incl. restructuring costs)	(19,210)	7,220	26,430		(313,861)	(115,027)	198,834	
Cash Balance								
Opening Cash Balance	-	-	-		-	-	-	
Add: Net Cash Flow from Operations	(19,210)	7,220	(26,430)		(313,861)	(115,027)	(198,834)	
Closing Cash Balance from Operations (before DIP loan)	(19,210)	7,220	(26,430)		(313,861)	(115,027)	(198,834)	
Add: DIP loan	19,210	(7,220)	26,430	6	313,861	115,027	198,834	6
Closing Cash Balance from Operations (after DIP loan)	-	-	-		-	-	-	

Notes

1) Due to the relaxation of COVID-19 restrictions, the three remaining stores were permitted to begin reopening on May 19, 2020 which is earlier than the previously forecast date of June 1, 2020. During the week-ended May 24, 2020, the three remaining stores were open for six days, however, cash receipts in the week-ended May 24, 2020 reflects receipts from two of the six days. Cash receipts from the remaining 4 days were received in the following week in the bank due to timing of transfers from merchant accounts. Sales are comprised of in store sales, as well as online sales filled at both the store locations and the distribution center.

2) The Occupancy Cost variance relates primarily to May 2020 rent for Store #2 (\$43,200), Store #5 (\$47,311) and Store #9 (\$39,599) plus April 2020 rent for Store #2 (\$43,200) which still remains unpaid. According to Management, 134 is attempting to defer rent payments for as long as possible while the stores were forced to remain closed during the Covid-19 mandated closure. According to Mr. Walia, 134 is working with the Ottawa and Mississauga landlords to apply for a government subsidy under the Canada Emergency Commercial Rent Assistance Program ("CECRAP"). As a result, the variance which is currently a timing difference, may become at least in part a permanent difference should the landlord's be approved for the CECRAP rent subsidies. The London, Ontario landlord has not agreed to apply to the program and continues to require 134 to pay rent when due. In addition, utilities of approximately \$3,000 have not been paid due to the permitted 60-day "Covid-19" utilities deferral.

3) The Company renewed its insurance policy and the first payment was made during the week of May 24, 2020.

4) Transportation costs incurred of \$26,544 relate to the transfer of inventory from the closed stores to the distribution center in Mississauga which was funded by Rick Walia. Management had forecast transportation costs to be \$2,000 per month and, therefore, underestimated the cost.

5) The favourable variance relates to a timing difference of approximately \$20,000 and \$10,000 with respect to debtor legal counsel and lender legal counsel fees, respectively, which are now forecast to be paid in June 2020, and approximately \$4,000 is a permanent difference due to lower professional fees incurred as compared to forecast.

6) As a result of the cash flow variances described above, the DIP loan required to be advanced by Rick Walia was approximately \$199,000 lower than forecast. The majority of this favourable variance is timing and the underlying expenditures such as rent and professional fees still need to be paid. As described above, a portion of the rent arrears may be forgiven if the CECRAP subsidy applications are approved for the Mississauga and Ottawa landlords.

1348441 Ontario Inc. (o/a Solutions Your Organized Living Store)
 Weekly Cash Flow Forecast
 For the period from May 25, 2020 to August 30, 2020
 Prepared by Management

Week Ending	Notes	31-May-20 1	07-Jun-20 2	14-Jun-20 3	21-Jun-20 4	28-Jun-20 5	05-Jul-20 6	12-Jul-20 7	19-Jul-20 8	26-Jul-20 9	02-Aug-20 10	09-Aug-20 11	16-Aug-20 12	23-Aug-20 13	30-Aug-20 14	TOTAL
Receipts																
Store Receipts (excluding taxes)	2	68,454	66,385	69,311	79,689	97,020	117,404	112,024	113,154	135,823	139,106	136,388	171,332	164,127	209,067	1,679,373
Sales Taxes	3	8,899	8,630	9,010	10,360	12,613	15,274	14,563	14,710	17,657	18,084	17,730	22,273	21,336	27,179	218,318
Total Receipts		77,353	75,015	78,322	90,048	109,633	132,768	126,587	127,864	153,480	157,190	154,118	193,605	185,463	236,246	1,897,691
Disbursements																
Cost of Sales	4	-	(33,193)	(13,862)	(15,938)	(19,404)	(23,499)	(22,405)	(22,631)	(27,165)	(27,821)	(27,278)	(34,266)	(32,825)	(41,813)	(342,099)
Payroll	5	(6,830)	(2,278)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(231,066)
Occupancy Costs (including HST)	6	(131,110)	-	-	-	-	(176,910)	-	(176,415)	-	(176,910)	-	-	-	-	(661,344)
HST payable	7	-	-	-	-	-	-	-	-	(21,914)	-	-	-	-	(20,911)	(42,824)
Insurance	8	(2,000)	-	-	-	-	(2,000)	-	-	-	(2,000)	-	-	-	-	(6,000)
Transportation	9	-	-	-	-	-	(2,000)	-	-	-	(2,000)	-	-	-	-	(4,000)
Total Disbursements		(139,940)	(35,471)	(43,088)	(23,705)	(48,630)	(212,175)	(51,631)	(205,813)	(78,304)	(216,498)	(56,504)	(42,033)	(62,051)	(70,491)	(1,287,334)
Net Cash flow from Operations (excl. restructuring costs)		(62,587)	39,545	35,233	66,343	61,003	(79,407)	74,956	(78,949)	75,176	(59,308)	97,614	151,572	123,412	165,755	610,358
Less: Restructuring Professional Fees & Disbursements	10	(21,470)	-	-	-	(37,290)	-	-	-	(29,380)	-	-	-	-	(29,380)	(117,520)
Net Cash flow from Operations (incl. restructuring costs)		(84,057)	39,545	35,233	66,343	23,713	(79,407)	74,956	(78,949)	45,796	(59,308)	97,614	151,572	123,412	136,375	492,838
DIP Loan Balance																
Opening DIP Loan Balance		115,027	199,084	159,539	124,306	57,962	34,250	113,657	38,701	117,650	71,855	131,163	33,548	-	-	115,027
Add/(reduce): DIP loan	11	84,057	(39,545)	(35,233)	(66,343)	(23,713)	79,407	(74,956)	78,949	(45,796)	59,308	(97,614)	(33,548)	-	-	(115,027)
Closing DIP Loan Balance		199,084	159,539	124,306	57,962	34,250	113,657	38,701	117,650	71,855	131,163	33,548	-	-	-	-
Bank Loan Balance																
Opening LOC Balance		6,033,420	6,036,540	6,039,661	6,042,784	6,045,909	6,049,035	6,052,163	6,055,293	6,058,424	6,061,557	6,064,691	6,067,827	5,952,941	5,832,607	6,033,420
Add: Interest	12	3,120	3,121	3,123	3,125	3,126	3,128	3,130	3,131	3,133	3,134	3,136	3,138	3,078	3,016	43,839
Less: Repayments		-	-	-	-	-	-	-	-	-	-	-	(118,024)	(123,412)	(136,375)	(377,811)
Closing LOC Balance	13	6,036,540	6,039,661	6,042,784	6,045,909	6,049,035	6,052,163	6,055,293	6,058,424	6,061,557	6,064,691	6,067,827	5,952,941	5,832,607	5,699,248	5,699,248

Note: This weekly cash flow forecast should be read together with its associated notes describing major assumptions included in the forecast.

1348441 Ontario Inc. ("Solutions" or the "Company")
Major Assumptions
Weekly Cash Flow Forecast
For the Period May 25, 2020 to August 30, 2020 (the "Period")

1. The Company's financial projections are based on the hypotheses that only three of its twelve stores will remain open and the remaining nine stores will permanently close. The permanent closures are the result of poor sales due to increased digital disruption and new competition, which has been exacerbated by the mandated COVID-19 closures from end of March 2020 to May 19, 2020, as the Company's stores were deemed to be non-essential workplaces by the Ontario Provincial Government. All twelve stores closed in the days prior to the filing of the Notice of Intention to Make a Proposal ("NOI") in accordance with the mandated closures by the Ontario Provincial Government. Eleven of the twelve stores' leases are in the name of a related company and one store lease is in the name of the Company.

By mid-April, the Company transferred all inventory from the nine stores that will not reopen to the distribution center. The Company couldn't afford to continue to pay rent for the nine non-performing stores during the Covid-19 closures while waiting for the Ontario Provincial Government to lift the mandated closures. The store closures will result in rent savings of over \$300,000 per month. The stores' fixtures were not transferred to the distribution center as their cost of removal, transport and storage is estimated to be greater than their net realizable value. As well, some of the store fixtures are specialized in nature and would be difficult to sell.

Receipts:

2. As described above, the three remaining stores opened earlier than originally forecast during the week-ended May 24, 2020. Forecast store receipts were calculated by the district manager based on the sales in the same three stores during the same weeks in the previous year (2019). Store receipts were then discounted beginning the week-ending May 31, 2020 by up to 30% to take into consideration that it will take time for sales to get back to normal. By mid-July 2020 sales receipts are forecast to be back to normal and exceed prior year's sales in the same period by 5% to 10%. Store receipts are net of credit card merchant fees.

3. Sales taxes are collected on all store sales and remitted to the Canada Revenue Agency ("CRA") by the end of the following month net of Input Tax Credits.

Disbursements:

4. The Company intends to liquidate the inventory from the nine stores transferred to its distribution center through the remaining three operating stores, as well as online sales, over a period of six to nine months. As such, the three remaining stores' cost of sales will be reduced in half to 20% by mid-June 2020 as only inventory purchases to augment the current inventory in the warehouse will be purchased. It is assumed that any new inventory purchased will need to be paid upon delivery or in advance, as vendors are expected not to provide credit terms as a result of the NOI proceeding and the non-payment of arrears.
5. Payroll includes amounts for salaried and hourly employees in the three remaining stores and the warehouse/head office and are paid bi-weekly. Other payroll costs include source deduction remittances to the CRA which is also remitted on a bi-weekly basis during the Period. It is assumed that all employees will remain on layoff and only those needed to operate the three remaining stores will be hired back.
6. Occupancy expenses consist of the Company's rent for the three remaining stores beginning from the date the NOI was filed plus those stores' estimated utility costs. It is assumed rent will be paid when due for the period after the NOI was filed including during the closures. However, the Company continues to attempt to negotiate a reduction or deferral of rent with the landlords and as a result it has not paid May 2020 rent for all three stores and April 2020 rent for one of the stores. According to Management, 134 is working with the Ottawa and Mississauga landlords to apply for a government subsidy under the Canada Emergency Commercial Rent Assistance Program ("CECRAP"). As a result, the variance which is currently a timing difference, may become at least in part a permanent difference should the landlords be approved for the CECRAP rent subsidies. The London, Ontario landlord has not agreed to apply to the program and continues to require 134 to pay rent when due. Until such time as the CECRAP is approved, the non-payment of rent arrears remains due. As such, we have assumed by July 2020 the Company

will know if it has been approved or not, and we have assumed that it will not be approved and the arrears will need to be paid in July 2020.

The Company's head office and warehouse rent totals approximately \$28,000 per month and is payable to a related party that owns the real property. The related party has agreed to a rent holiday until July 2020 to assist the Company during the forced closure period. Nevertheless, the related party is required to continue to make its mortgage payments to the Bank of Nova Scotia ("BNS") on time.

7. The store closures resulted in the Company being in a net HST refund position until June 2020 which refund CRA will in part apply against the Company's HST payable totaling approximately \$29,000. As such, the Company does not forecast to be in a net HST payable position until July 2020 after it experiences HST collections from a full month of sales.
8. Company insurance coverages have continued to be maintained by the Company at existing insurance limits. During the Period, the Company has renewed its insurance coverage and has considered whether a reduction in the number of stores will result in the need for lower insurance limits, thereby decreasing insurance premiums.
9. Costs to transport inventory from closed stores to the warehouse is being paid directly by the shareholder. This may change beginning in July 2020 at an additional cost of approximately \$2,000 per month.
10. Professional fees include fees for the Company's legal counsel, BNS's legal counsel, the Proposal Trustee and the Proposal Trustee's legal counsel for the Period. As well, it includes the cost of monitoring the Company for BNS, the first secured creditor owed in excess of \$6.0 million.
11. The Debtor in Possession ("DIP") loan of up to \$500,000 was provided by Mr. Rick Walia, the shareholder of the Company. According to the DIP loan forecast, a DIP Loan peak of approximately \$200,000 is forecast to be reached in the week-ending May 31, 2020, and is forecast to be subsequently repaid with net cash receipts over disbursements earned from the sale of inventory in the three remaining stores. By the week-ending August 16, 2020, the DIP loan is forecast to be repaid in full.

12. Interest on the BNS outstanding loan is prime (2.45%) plus 0.25% for a total of 2.70%. The Company has not forecast payment of interest on the BNS loan during the Period.
13. As it is expected to take until at least the week-ending August 16, 2020 to repay the DIP loan, the Company has forecast repayment of the BNS loan beginning in the week-ending August 16, 2020. The Forbearance Agreement entered into by both the Company and BNS in April 2020 requires that BNS be refinanced by August 13, 2020. According to Management, efforts are being made by the Company to refinance the BNS loan in its entirety and a refinancing term sheet was received and is in the process of being negotiated.

APPENDIX "A"

APPENDIX "B"

Court File No.: 32-2634165
Estate File No.: 32-2634165

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]**

THE HONOURABLE JUSTICE KOEHNEN
WEDNESDAY, THE 22nd DAY

OF APRIL, 2020

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF 1348441 ONTARIO INC.**

ORDER

THIS MOTION, made by 1348441 Ontario Inc. o/a Solutions Your Organized Living Store (the “**Company**”) pursuant to Sections 50.4(9), 50.6 and 64.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) for an order. *inter alia*: (i) approving an extension of the time for the Company to file a proposal by forty-five (45) days until June 9, 2020; (ii) approving the DIP Facility and granting the DIP Lender’s Charge (*each as hereinafter defined*); and (iii) granting the Administration Charge (*as hereinafter defined*), was heard this day virtually by “Zoom” teleconference.

ON READING the affidavit of Gurmej Walia sworn April 17, 2020 and the exhibits thereto and the First Report of Dodick Landau Inc. in its capacity as the proposal trustee of the

Company (in such capacity, the “**Proposal Trustee**”), dated April 20, 2020, and the appendices thereto (the “**First Report**”), and on hearing the submissions of counsel for the Company, the Proposal Trustee, Gurmej Walia and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Thomas Lambert sworn April 20, 2020, filed,

SERVICE

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

EXTENSION

2. **THIS COURT ORDERS** that the time for the Company to file a proposal under section 50.4 of the BIA is extended by a period of forty-five (45) days to and including June 9, 2020.

DIP FINANCING

3. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow under a credit facility from Rick Walia (the “**DIP Lender**”) in order to finance the Company’s working capital requirements and other general corporate purposes and capital expenditures during these proceedings, provided that borrowings under such credit facility shall not exceed \$500,000, unless permitted by further Order of this Court (collectively, the “**DIP Facility**”).

4. **THIS COURT ORDERS THAT** the DIP Facility shall be on the terms and subject to the conditions set forth in the term sheet between the Company and the DIP Lender dated April 17, 2020 (the “DIP Term Sheet”).

5. **THIS COURT ORDERS** that the Company 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 the Company is hereby authorized and directed to pay and perform all of their 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.

6. **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”) over all of the current and future assets, properties and undertakings of the Company of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the “Property”), as security for the borrowings under the DIP Facility, 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 12 and 14 of this Order.

7. **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;

- 4 -

- (b) upon the occurrence of an event of default under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, and subject to first requesting the consent of the senior lender to the Debtor, the Bank of Nova Scotia ("BNS"), the DIP Lender, upon three (3) days' notice to the Company, the Proposal Trustee and BNS, may exercise any and all of its rights and remedies against the Company or the Property under or pursuant to the DIP Term Sheet, the Definitive Documents and the DIP Lender's Charge, including, without limitation, to cease making advances to the Company and set off and/or consolidate any amounts owing by the DIP Lender to the Company against the obligations of the Company 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 the Company and for the appointment of a trustee in bankruptcy of the Company; 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 the Company or the Property.

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

ADMINISTRATION CHARGE

9. **THIS COURT ORDERS** that counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements), in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee (for work performed in connection with these proceedings) on a weekly basis.

10. **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.

11. **THIS COURT ORDERS** that counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee 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 \$100,000, 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 12 and 14 of this Order.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

12. **THIS COURT ORDERS** that the priorities of the DIP Lender's Charge and the Administration Charge (collectively, the "**Charges**") as amongst themselves shall be as follows:

(a) first, the Administration Charge to a maximum amount of \$100,000; and (b) second, the DIP Lender's Charge.

13. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges are and shall be valid and enforceable against the Property for all purposes, including, without limitation, 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 the Charges.

14. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and that such Charges shall rank in priority to all other security interests, trusts, liens, charges, mortgages, claims and encumbrances, secured, statutory or otherwise (collectively, "Encumbrances") in favour of any other person.

15. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not, without the consent of BNS, grant any Encumbrances over any Property that ranks in priority to, or *pari passu* with, the DIP Lender's Charge or the Administration Charge, unless the Company also obtains the prior written consent of the Proposal Trustee, the DIP Lender and the beneficiaries of the Administration Charge, or further Order of this Court.

16. **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 in these proceedings; (b) any

- 7 -

application(s) for bankruptcy order(s) issued pursuant to the 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 “Agreements”) which binds the Company, and notwithstanding any provision to the contrary in any such 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 the Company 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 the Company entering into the DIP Term Sheet, the Definitive Documents, the creation of the Charges or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Company 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.

SERVICE AND NOTICE

17. **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 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 [‘https://dodick.ca/public_documents/1348441-ontario-inc-o-a-solutions-your-organized-living-store/’](https://dodick.ca/public_documents/1348441-ontario-inc-o-a-solutions-your-organized-living-store/).

18. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Company and the Proposal Trustee are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Company’s creditors or other interested parties at their respective addresses as last shown on the records of the Company and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

19. **THIS COURT ORDERS** that the Company, the Proposal Trustee, the DIP Lender and their respective counsel are at liberty to serve or distribute this Order, any 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 the Company'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 juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

20. **THIS COURT ORDERS** that the Company and the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

21. **THIS COURT ORDERS** that nothing in this Order shall prevent the Proposal Trustee from acting as an interim receiver, a receiver, a receiver and manager, a trustee in bankruptcy or a monitor of the Company, its business or the Property.

22. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Company, 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 Company 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 Company, the Proposal Trustee and their respective agents in carrying out the terms of this Order.

23. **THIS COURT ORDERS** that the Company and the Proposal Trustee be at liberty and are 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.

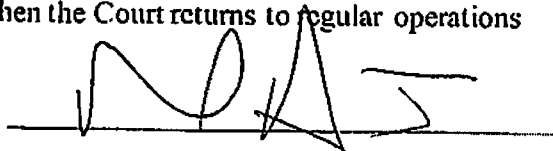
24. **THIS COURT ORDERS** that any interested party (including the Company and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as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

25. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Daylight Time on the date of this Order; provided, however, that the DIP Lender shall be entitled to rely on this Order as issued for all advances made under the DIP Term Sheet Agreement and the Definitive Documents up to and including the date on which this Order may be varied or amended.

26. **THIS COURT ORDERS** that the First Report of the Proposal Trustee dated April 20, 2020 and the conduct and activities of the Proposal Trustee described therein are hereby approved, provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

27. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this order is effective from the date that it is made, and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a

motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations

A handwritten signature in black ink, consisting of stylized, overlapping letters, positioned above a horizontal line.

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF 1348441 ONTARIO INC.

Court File No.: 32-2634165
Estate File No.: 32-2634165

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]**

Proceedings commenced at Toronto

ORDER
(Initial NOI Order)

LOOPSTRA NIXON LLP
135 Queens Plate Drive – Suite 600
Toronto, ON M9W 6V7

R. Graham Phoenix
Tel: (416) 478 4776
Fax: (416) 476 8319
Email: gphoenix@loonix.com

Tom Lambert
Tel: (416) 478 5145
Fax: (416) 476 8319
Email: tlambert@loonix.com

Lawyers for 1348441 Ontario Inc.

Court File Number: 32-2634165Estate File No. 32-2634165

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Re Notice of Intention to Make a Proposal of 134-8441 Ontario Inc.

Plaintiff(s)

AND

Defendant(s)

Case Management Yes No by Judge: Koehnen J.

Counsel	Telephone No:	Email/Facsimile No:
Graham Phoenix for the applicant		
S. Kour for the Proposal Trustee		
T. Hogan for the Bank of Nova Scotia		

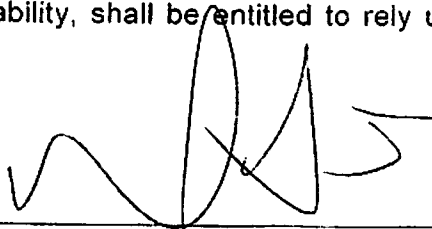
Order Direction for Registrar (**No formal order need be taken out**)
 Above action transferred to the Commercial List at Toronto (**No formal order need be taken out**)

Adjourned to: _____
 Time Table approved (as follows): _____

Date Heard: April 22, 2020

- The applicant seeks an extension of 45 days up to and including June 9, 2020 to make a proposal that to its creditors, approval of a \$500,000 DIP loan and of a \$100,000 Administration Charge.

2. The Proposal Trustee supports the relief sought. None of the creditors opposes relief the applicant seeks. The applicant has been working closely with its first ranking secured creditor, Bank of Nova Scotia, to work out a solution to its financial difficulties which have been complicated by the current Covid 19 pandemic.
3. The DIP financing is being provided by the applicant's principal shareholder. It is at 0% interest and without fees or charges. I am satisfied from the affidavit of Gurmej Walia that the DIP should be approved based on the factors set out in section 50.6 (5) of the BIA. Without the DIP the applicant will not be able to carry on business or make a proposal to its creditors. A bankruptcy in the current environment will be highly prejudicial to all creditors.
4. The proposed Administration Charge is for \$100,000. I am also satisfied from the affidavit of Gurmej Walia that the Administration Charge is appropriate. The advice to be provided by the applicant's counsel and the Proposal Trustee are essential to the applicant. The roles of each are distinct and avoid duplication. No creditors oppose the charge.
5. In addition to the foregoing, the First Report of the Proposal Trustee dated April 20, 2020 and the conduct and activities of the Proposal Trustee described therein are approved, provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.



Koehnen J.

April 22, 2020

APPENDIX "C"



Industry Canada
**Office of the Superintendent
of Bankruptcy Canada**

Industrie Canada
**Bureau du surintendant
des faillites Canada**

District of Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

In the Matter of the Proposal of:

1348441 Ontario Inc.
Debtor

DODICK LANDAU INC.
Licensed Insolvency Trustee

Date of Proposal:	June 09, 2020	Security:	\$
Meeting of Creditors:	June 26, 2020, 11:00 VideoConference Toronto, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

Date: June 09, 2020, 15:44

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

Canada

TAB 3

Court File No. 32-2634165
Estate File No. 32-2634165

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

COMMERCIAL LIST

IN THE MATTER OF THE PROPOSAL OF
1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA
IN THE PROVINCE OF ONTARIO

THIRD REPORT OF DODICK LANDAU INC.
AS PROPOSAL TRUSTEE OF 1348441 ONTARIO INC.

August 7, 2020

INTRODUCTION

1. The purpose of this report (the "**Report**") of Dodick Landau Inc. ("**DLI**") in its capacity as proposal trustee (the "**Proposal Trustee**") of 1348441 Ontario Inc. (o/a Solutions Your Organized Living Store) (the "**Debtor**", the "**Company**" or "**Solutions**"), which includes the report in the form prescribed in section 59(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the "**BIA**"), is to support the request for orders, among other things:
 - a) approving the proposal (the "**Proposal**", as described herein);
 - b) authorizing the Proposal Trustee and the Company to take all steps necessary to implement the Proposal; and
 - c) approving the Proposal Trustee's Reports and the conduct and activities described therein.
2. The Proposal has been developed to effect a restructuring of the business and affairs of Solutions with the expectation that all existing creditors will derive a greater benefit from the completion of the restructuring and the continued operation of the business and affairs of Solutions than would result from a liquidation of Solutions' assets in a bankruptcy proceeding.

DISCLAIMER

3. In preparing this Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, the Company's books and records, discussions with the Company's

management (“**Management**”) and Creditors, as well as information from other third-party sources (collectively, the “**Information**”). Except as described in this Report:

- a) the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information;
 - b) some of the Information referred to consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants handbook, has not been performed; and
 - c) the Proposal Trustee has prepared this Report in its capacity as a Court appointed officer and has made a copy of this Report available on DLI’s website at www.dodick.ca. Parties using this Report, other than for the purpose of evaluating the Proposal, are cautioned that it may not be appropriate for their purposes. DLI will continue to maintain on its website copies of any court orders, reports and other material public filings it considers relevant to this proceeding.
4. The capitalized terms not defined in this report are defined in the Proposal and this Report should only be read in conjunction with the Proposal. While this Report summarizes key aspects of the Proposal, Creditors are advised to carefully read the Proposal in full. Should there be any discrepancy between the summary contained in this Report and the Proposal, the Proposal shall govern.
5. Unless otherwise stated, all monetary amounts contained herein are in Canadian dollars.

REPORT ON PROPOSAL

6. The Proposal Trustee hereby reports to the Court as follows:
- a) On March 26, 2020 (the “**Filing Date**”), Solutions filed a Notice of Intention to Make a Proposal (“**NOI**”) to its creditors pursuant to subsection 50.4 (1) of the BIA and DLI was named Proposal Trustee.
 - b) As described in the Proposal Trustee’s first report to Court (the “**First Report**”), immediately prior to the filing of the NOI, the Bank of Nova Scotia (“**Scotiabank**”) issued demands for repayment and notices under Section 244 of the BIA as against

the Debtor and 1008314 Ontario Limited (the “**Guarantor**”). As at the Filing Date, the Debtor was indebted to Scotiabank in the approximate aggregate amounts of (CAD) \$5,456,981 and (USD) \$390,821 (the “**Scotiabank Indebtedness**”). Scotiabank agreed to support the Debtor’s efforts to restructure its business and enter a formal forbearance (the “**Forbearance Agreement**”) with the Debtor to facilitate its restructuring efforts through the NOI and proposal periods.

- c) On April 22, 2020:
 - i) in accordance with Section 50.4(9) of the BIA, the Debtor sought and obtained approval from the Superior Court of Justice (the “**Court**”) to extend the time for filing the Proposal, and the stay of proceedings herein, up to and including June 9, 2020;
 - ii) the Court authorized the Debtor to borrow for general corporate purposes up to \$500,000 under a debtor-in-possession credit facility (“**DIP Loan**”) from Mr. Rick Walia (the “**DIP Lender**”) and the DIP Lender was granted a charge over the current and future assets of the Debtor as security for the borrowings; and
 - iii) the Court granted a charge of up to \$100,000 to legal counsel to the Company, the Proposal Trustee and legal counsel to the Proposal Trustee as security for their professional fees and disbursements in respect of these proceedings.
- d) On June 9, 2020, pursuant to section 62 of the BIA, Solutions filed the Proposal with the Official Receiver, a copy of which is attached hereto as **Appendix “A”** along with the Certificate of Filing.
- e) On June 16, 2020, the Proposal Trustee gave notice to the Debtor, to the Office of the Superintendent of Bankruptcy, and to every known creditor or to their duly appointed representative (whose names and addresses appear in such notice), of the calling of a meeting of creditors (the “**Creditors’ Meeting**”) to be held on June 26, 2020 to consider and vote on the Proposal. The Creditors’ Meeting was to be held via video conference due to the COVID-19 public health crisis.
- f) The notice of the Creditors’ Meeting included: a condensed statement of the assets and liabilities of Solutions, a list of creditors affected by the Proposal having claims of \$250 or more and showing the amount of their claims, a copy of the Proposal, a proof of claim form, a proxy and voting letter, and the Trustee’s Report on Proposal (“**Trustee’s Report**”).

to Creditors"). A copy of the complete notice and creditors' package is attached hereto as **Appendix "B"**.

- g) Prior to the Creditors' Meeting, the Proposal Trustee made a detailed and careful inquiry into the liabilities of the Company, the Company's assets and the causes of the Company's insolvency.
 - h) The Creditors' Meeting was held on June 26, 2020 via video conference, at 11:00 a.m., and was presided over by Mr. Rahn Dodick of the Proposal Trustee.
 - i) As described further below under the heading "Creditors' Meeting", the Proposal was accepted by the required double-majority of creditors at the Meeting.
 - j) A copy of the minutes of the Creditor's Meeting (without appendices) is attached as **Appendix "C"**.
 - k) The Proposal Trustee is of the opinion that the liabilities and the assets of the Company, and their estimated realizable values, are as set out in this Report and the Trustee's Report to Creditors included in the creditors' package at **Appendix "B"** hereto. The creditors package included: background information on Solutions, a description of the causes of its financial difficulties, information on secured and unsecured debt and crown claims, a description of the Proposal, a liquidation analysis, and information on the conduct of the Company.
 - l) It is the Proposal Trustee's further opinion that a restructuring will yield a greater recovery for the creditors of the Company than they would receive in a liquidation of the Company.
 - m) The Proposal Trustee forwarded a copy of this report to the Official Receiver on this day.
7. As described in the Proposal Trustee's first report to Court (the "**First Report**"), key terms included in the Scotiabank Forbearance Agreement included:
- a) Scotiabank shall grant the Debtor day to day forbearance and credit which may be terminated by Scotiabank with no further notice, and in Scotiabank's absolute discretion;
 - b) the Debtor agrees to DLI also acting as monitor (the "**Monitor**") on behalf of Scotiabank;

- c) the Debtor shall file its Proposal on or before June 10, 2020;
 - d) the Debtor will have a firm commitment from a lender for refinancing by July 1, 2020 with a closing date of no later than August 13, 2020 (the “**Forbearance Termination Date**”) and in a sum sufficient to satisfy the Scotiabank Indebtedness in full; and
 - e) the Debtor shall pay the Employee Priority Claims in full by no later than the Forbearance Termination Date.
8. The forbearance by Scotiabank continues and, to date, the Monitor has provided bi-weekly reporting to Scotiabank. A refinancing offer was provided to the Debtor by a schedule 1 bank on July 8, 2020 and, according to the Debtor, it is in the process of preparing to close the refinancing with its new lender with a target date of August 13, 2020, being the Forbearance Termination Date.
9. Should a refinancing not occur, and Scotiabank enforces on its security and/or guarantee, the Proposal may be put in jeopardy since Scotiabank’s security includes general security over all the assets of the Debtor. In such case, it is not expected that any net surplus realizable value in the assets of the Debtor will exist for the benefit of the unsecured creditors. However, Scotiabank may decide to enforce only by realizing on its real property mortgage security owned by the Guarantor which, according to a recent real property appraisal obtained by the Debtor, would have sufficient net realizable value to satisfy the Scotiabank Indebtedness in full and, in such case, would leave the Debtor, and the Proposal, unaffected by the enforcement.
10. A copy of the First Report (without appendices) is attached as **Appendix “D”**.

CREDITORS’ MEETING

11. For purposes of considering and voting on the Proposal, and for receiving a distribution pursuant to the Proposal, the Creditors were grouped in one class consisting of Creditors having unsecured Claims. Preferred Creditors and proven Claims of Her Majesty in right of Canada and any province for all amounts other than Crown Priority Claims were entitled to vote in the Unsecured Creditor Class.
12. At the Creditors’ Meeting, Mr. Dodick acted as the chair (the “**Chair**”) and Ms. Brenda McKnight acted as the scrutineer (the “**Scrutineer**”) and secretary.

13. The Scrutineer reported that a quorum was present at the Creditors' Meeting and accordingly, the Chair declared that the Creditors' Meeting was properly constituted.
14. A motion to consider a resolution to accept the Proposal was proposed at the Creditors' Meeting (the "**Resolution**"). The Resolution tabled at the meeting was as follows:

"Be and it is hereby resolved to accept the Proposal of 1348441 Ontario Inc. o/a Solutions Your Organized Living Store dated June 9, 2020, and, if approved, the Proposal Trustee and 1348441 Ontario Inc. will take all necessary steps to implement the terms of the Proposal."

15. The Scrutineer tabulated the results of the vote, and the Chair reported the results at the Creditors' Meeting. The Creditors, or their proxy holders, entitled to vote at the Creditor's Meeting voted on the Resolution to approve the Proposal as follows:

	For		Against	
	#	\$	#	\$
Creditors having a voting claim voting in person, by proxy or by voting letter	55	\$487,006.06	1	\$8,729.25
Percentage of the total votes	98.21%	98.24%	1.79%	1.76%

16. In summary, a majority in number representing in excess of two-thirds in value of the Creditors holding proven claims and voting in person or by proxy at the Creditors' Meeting, or by voting letter, voted in favour of the Resolution to approve the Proposal.

APPROVAL OF THE PROPOSAL

17. The BIA requires the Proposal be approved by the Court following approval by the requisite double-majority of Creditors by class. As such, the Proposal Trustee requests that the Court issue an Order approving the Proposal.
18. The Proposal Trustee is not aware of the Company having committed any of the offences set out in sections 198-200 of the BIA.

CONDUCT OF THE DEBTOR

Preference Transactions and Transfers at Undervalue

19. The Proposal contemplates that Sections 95-101 of the BIA shall not apply in connection with this Proposal and as a result the Proposal Trustee shall have no responsibility, liability or authority whatsoever in connection herewith. Accordingly, the Proposal Trustee has not undertaken a detailed review for possible preference transactions or transfers at undervalue.
20. If the Company were to become bankrupt, and either preference transactions or transfers at undervalue did exist, it is possible that some of these transactions could be voided.

Conduct Post-Filing

21. Pursuant to Section 50(10) of the BIA, the Proposal Trustee is required to monitor the affairs of the Company until the Proposal is approved by the Court.
22. During the NOI period, the Company worked diligently with the Proposal Trustee to prepare its Proposal, as well as to manage costs and continue operations. The Company is working diligently to complete the Proposal. The Company continues to actively solicit new business to improve its cash flow and meet its liquidity needs in order to be able to successfully implement the Proposal. The Company is current on its post-filing HST and payroll filings and remittances to the Canada Revenue Agency.

NOTICE OF HEARING OF THE APPLICATION

23. On July 21, 2020, the Proposal Trustee sent the Notice of Hearing of Application for Court Approval of Proposal (Form 40.1) (the “**Notice**”) to the Debtor and to all known creditors of the Debtor who have proved a claim, whether secured or unsecured, and to the Official Receiver. Attached hereto as **Appendix “E”** is a true copy of the Affidavit of Mailing of Brenda McKnight, together with a copy of the Notice.

CONCLUSION AND RECOMMENDATION

24. The Proposal Trustee is of the opinion that the liabilities and the assets of the Company, and their estimated realizable value, are as set out in the Trustee’s Report to Creditors.

25. The Proposal Trustee is also of the opinion that:
- i) The causes of the insolvency of the Debtor are as set out in the Trustee's Report to the Creditors;
 - ii) The conduct of the Debtor is not subject to censure; and
 - iii) There are no known facts, as described in section 173 of the BIA, which may be proved against the Debtor.
26. It is the Proposal Trustee's further opinion that the Proposal is of general benefit to the creditors of the Company and will allow for a greater recovery to them than they would receive in a liquidation of the Company. Therefore, the Proposal Trustee respectfully recommends that the Court grant an order approving the Proposal and authorizing the Proposal Trustee to take all steps necessary to implement the Proposal.

Yours very truly,

DODICK LANDAU INC.

Trustee *re* the Proposal of 1348441 Ontario Inc.
and not in its personal or corporate capacity.

Per:



Rahn Dodick, CPA, CA, CIRP, LIT

APPENDIX "A"



Industry Canada

Industrie Canada

Office of the Superintendent
of Bankruptcy CanadaBureau du surintendant
des faillites Canada

District of Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

In the Matter of the Proposal of:

1348441 Ontario Inc.
 Debtor

DODICK LANDAU INC.
 Licensed Insolvency Trustee

Date of Proposal:	June 09, 2020	Security:	\$
Meeting of Creditors:	June 26, 2020, 11:00 VideoConference Toronto, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

Date: June 09, 2020, 15:44

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

District of Ontario
 Division No.: 09 – Toronto
 Estate No. 32-2634165

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 (IN BANKRUPTCY AND INSOLVENCY)**

**IN THE MATTER OF THE PROPOSAL OF 1348441 ONTARIO INC.
 OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**PROPOSAL
 (June 9, 2020)**

**1348441 ONTARIO INC. hereby submits the following Proposal under Part III of the
 Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3.**

**PART I
 INTERPRETATION**

Definitions

1. In this Proposal:

- (a) “Act” means the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended.**
- (b) “Administrative Fees and Expenses” means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payments, and the legal fees and expenses incurred by the Trustee and the Debtor before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Debtor in connection therewith;**
- (c) “Affected Creditors” means those Creditors of the Company forming Class 1, as defined in Part III of this Proposal;**
- (d) “Approval Order” means an order of the Court approving this Proposal, to be granted pursuant to the provisions of the Act, the appeal period having expired, and no appeal having been filed or any appeal therefrom having**

been dismissed and such dismissal having become final;

- (e) **“Bankruptcy Reserve”** means a reserve amount of \$20,000 to be held by the Trustee as security for the administrative costs of the bankruptcy of the Company, in the event that this Proposal is annulled, and the Company becomes bankrupt;
- (f) **“Business Day”** means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (g) **“Certificate of Full Performance”** means the certificate that the Trustee issues to the Company and to the Official Receiver pursuant to Section 65.3 of the Act;
- (h) **“Claim”** means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (i) **“Company”** means 1348441 Ontario Inc.;
- (j) **“Court”** means the Ontario Superior Court of Justice (In Bankruptcy and Insolvency);
- (k) **“Court Approval Date”** means the date on which the Approval Order is issued;
- (l) **“Creditors”** means any Person having a Claim;
- (m) **“Creditors Meeting”** means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (n) **“Crown Claims”** means Claims of Her Majesty in right of Canada or any province of all amounts of a kind contemplated by section 60(1.1) of the Act;
- (o) **“Date of Filing”** means March 26, 2020, the date on which the Company filed the NOI;

- (p) **“Employee Preferred Claim” means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1) of the Act;**
- (q) **“Effective Date” means 10 calendar days from the date of the Approval Order, unless the Approval Order is appealed, in which case the Effective Date means the later of: (i) one Business Day after the full and final determination of the appeal; and (ii) the expiry of any further appeal periods;**
- (r) **“Event of Default” has the meaning given to it in Part VIII of this Proposal ;**
- (s) **“Funded Proposal Payments” shall mean funds which will be advanced to the Trustee for distribution, as set out and defined in Paragraph 16 hereof;**
- (t) **“Inspectors” means the inspectors appointed pursuant to Part X of this Proposal;**
- (u) **“Levy” means the levy imposed by the Superintendent of Bankruptcy under the Act;**
- (v) **“Maturity Date” means the date on which all payments to the Creditors have been made and the Certificate of Full Performance has been issued by the Trustee to the Company, provided that no Event of Default has occurred that has not been cured or waived;**
- (w) **“NOI” means the Notice of Intention to Make a Proposal filed by the Company on March 26, 2020;**
- (x) **“Person” means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;**
- (y) **“Post-Filing Crown Claims” means all Crown Claims that became due or shall become due on or after the Date of Filing;**
- (z) **“Post-Filing Goods and Services” means the goods supplied, services rendered, and other consideration given or provided to the Company on or after the Date of Filing;**
- (aa) **“Pre-Filing Crown Claims” means all Crown Claims that were outstanding as at the Date of Filing;**
- (ab) **“Preferred Claim” means any claim that is afforded priority under Section 136(1) of the Act;**

- (ac) **“Preferred Creditor” means any Unsecured Creditor holding a Preferred Claim, solely in respect to that Preferred Claim;**
- (ad) **“Proposal” means this proposal dated December 5, 2017, together with any amendments or additions thereto;**
- (ae) **“Proposal Period” means the period between the Court Approval Date and the Maturity Date;**
- (af) **“Proven” as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor’s right of appeal to Court, the Court’s determination of that Claim or any applicable appeal periods having expired and no appeal having been made;**
- (ag) **“Secured Claim” means any Claim by a Secured Creditor, excluding the Crown Claims;**
- (ah) **“Secured Creditor” means a Person holding a mortgage, hypothec, pledge, charge (including the beneficiaries of the Administration Charge and the DIP Lender’s Charge, each as defined and granted in the Order of the Court made in these proceedings dated April 17, 2020), lien or privilege on or against the property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims;**
- (ai) **“Trustee” means Dodick Landau Inc., solely in its capacity as proposal trustee of the Company;**
- (aj) **“Unsecured Claim” means the value of any Proven Claim in respect of which no Security is held; and**
- (ak) **“Unsecured Creditors” means those Persons with Claims in respect of which no security is held, and which is not afforded priority under Section 136(1) of the Act.**

Headings

2. **The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.**

Number, etc.

3. **In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.**

Date for Action

4. In the event that any date on which any action is required to be taken hereunder is not a **Business Day**, such action will be required to be taken on the next succeeding day that is a **Business Day**.

Accounting Principles

5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

**PART II
PURPOSE AND EFFECT OF THIS PROPOSAL**

Purpose of Proposal

6. The purpose of this Proposal is to effect a restructuring of the indebtedness of the Company in the manner contemplated herein and as permitted by the Act in the expectation that all Creditors will derive a greater benefit from the restructuring and the continued operation of the business and affairs of the Company than would result from a bankruptcy of the Company.

Effect of Proposal

7. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors will be stayed from commencing or continuing any proceeding or remedy against the Corporation or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.
8. Upon implementation of all elements of this Proposal, and the filing of the Certificate of Full Performance by the Trustee, all Claims against the Company and its directors shall be fully, finally and completely satisfied

**PART III
CLASSIFICATION OF CREDITORS**

9. For the purpose of this Proposal, the Creditors of the Company shall be comprised of single class, consisting of Creditors having Proven Preferred Claims and Unsecured Claims ("Class 1"), which, for greater certainty, shall include Preferred Creditors entitled to vote pursuant to the Act and claims of Her Majesty in right of Canada and any province for all amounts other than Crown Claims.

**PART IV
SECURED CREDITORS**

10. The Company's Secured Creditors shall be unaffected by this Proposal.

**PART V
TREATMENT OF VARIOUS CLAIMS,
FUNDING OF PROPOSAL AND DISTRIBUTION**

Crown Claims

11. The Company covenants and agrees to, within six months after the Effective Date, pay in full all amounts that were outstanding at the Date of Filing of a kind that could be subject to a demand under: (i) Subsection 224(1.2) of the ITA; (ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to s.224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalty or other amounts; or (iii) under any substantially similar provision of provincial legislation, including all amounts contemplated by Section 60(1.1) of the Act. This payment of Crown Claims (if any) will be made in addition to the Funded Proposal Payments.
12. At the Date of Filing, according to the Company, it does not owe any amount to the Canada Revenue Agency for employee source deductions withheld but not remitted, including related penalties and interest calculated up to the Date of Filing.

Employee Preferred Claims

13. As at the date of the filing of the Proposal, the aggregate Employee Preferred Claims are estimated to be in the range of \$80,000 and \$90,000. All Proven Employee Preferred Claims shall be paid out of additional funds to be delivered by the Company to the Trustee and shall be remitted by the Trustee to the entitled claimants (if any) immediately after the Effective Date.

Preferred Claims (in addition to Employee Preferred Claims)

14. Proven Preferred Claims, other than Employee Preferred Claims (if any), which shall be satisfied pursuant to Paragraph 13 of this Proposal, shall be paid in full, without interest, out of the Funded Proposal Payments, in priority to Proven Unsecured Claims.

Unsecured Claims

15. **Proven Unsecured Claims shall be paid out of the Funded Proposal Payments on a pro rata basis.**

Funding the Proposal

16. **The Company's obligation to fund the Funded Proposal Payments shall commence on October 1, 2020. The Company will cause to be paid to the Trustee payments in the form of cash instalments in the aggregate amount of \$5,555.55 every month, for three (3) years, subject to Paragraph 17 of this Proposal (the "Funded Proposal Payments").**
17. **The Funded Proposal Payments will be made until an amount is paid to the Trustee equal to the lesser of:**
- (i) 20% of the value of the Proven Claims; and**
 - (ii) \$200,000.**

For greater certainty, the amounts set out in this Paragraph 17 shall not include Crown Claims, if any, which Crown Claims will be paid in addition to the payments referred to in this paragraph.

Distributions

Payment of Employee Preferred Claims

18. **Immediately following the Effective Date, the Trustee shall issue distributions out of such funds in respect of all Proven Employee Preferred Claims.**

Distributions to Unsecured Creditors

19. **Interim distributions will be made to Unsecured Creditors with Proven Unsecured Claims when sufficient Funded Proposal Payments have, in the Trustee's discretion, accumulated to warrant an interim distribution. The Trustee may make an interim distribution at any time and frequency as the Trustee deems appropriate in the Trustee's discretion.**
20. **The Funded Proposal Payments shall be distributed by the Trustee in the following order of priority:**
- (a) first, to the Administrative Fees and Expenses;**
 - (b) second, to establish the Bankruptcy Reserve, to be held in trust by the Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Company in the event that this Proposal is annulled, and the Company becomes bankrupt, failing which such amount shall be distributed in accordance with Subparagraphs 20(c) and 20(d) of this**

Proposal;

- (c) **third, to Proven Claims of Preferred Creditors, other than Employee Preferred Claims which will have been satisfied out of additional funds, without interest (if any); and**
- (d) **fourth, the balance of the Funded Proposal Payments shall be distributed pro rata among all of the Unsecured Creditors on account of Proven Unsecured Claims.**

Amendments to Agreements

- 21. **Notwithstanding the terms and conditions of all agreements or other arrangements with Creditors entered into before the Date of Filing, provided that no Event of Default has occurred and is continuing hereunder, all such agreements or other arrangements will be deemed to be amended to the extent necessary to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern. All Creditors will provide such acknowledgements, agreements, discharges or other documentation as may be necessary to give effect to the intent of this Proposal.**

Treatment of Claims

- 22. **For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.**

**PART VI
POST-FILING OBLIGATIONS**

Payment of Post-Filing Goods & Services

- 23. **During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company**

Post-Filing Crown Claims

- 24. **During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.**

Reporting by the Company

- 25. **During the Proposal Period, the Company shall provide to the Trustee every three months commencing on first day of the month following the month in which the Approval Order is issued, a report containing the information set out below:**

- (i) a cash flow statement for the Company's business and affairs for the prior three months; and
- (ii) evidence of Company's filing and remittance of source deductions and HST.

PART VII LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS

Levy

26. The Levy, if applicable, shall be deducted by the Trustee from payments to creditors by the Trustee.

Payment of Fees and Expenses

27. The Administrative Fees and Expenses, on and incidental to the proceedings arising out of the Proposal, or in a bankruptcy, if any, shall be paid in priority to the Crown Claims, the Claims of Preferred Creditors, and the Claims of general Unsecured Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

28. As per Part V of this Proposal, all Proven Employee Preferred Claims will be paid in priority to other Claims as soon as reasonably possible after the Effective Date.

Preferred Claims

29. As per Part V of this Proposal, all Proven Preferred Claims (if any) are to be paid without interest in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the payments to be made under Part V of this Proposal.

PART VIII EVENTS OF DEFAULT

30. The following events will constitute Events of Default for purposes of section 63 of the Act and otherwise under this Proposal:
- (a) the non-payment by the Company of any of its obligations hereunder within thirty (30) days after written notice has been given by the Trustee

that such payment is past due; and

- (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, other than payment as provided for in Subparagraph 30(a) hereof which is not remedied within thirty (30) days after written notice thereof has been given to the Company by the Trustee.

PART IX TRUSTEE

- 31. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
- 32. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of any levies payable or due under the Act.

PART X INSPECTORS

Appointment of Inspectors

- 33. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

- 34. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
 - (a) the power to extend the dates the Funded Proposal Payments are due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

35. The Trustee shall call a meeting of the Affected Creditors of the Company to seek creditor approval for the Proposal in the requisite majority in number and value of the classes, as set out in the Act, of each of the classes of creditors described in this Proposal. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If the Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

36. In the event the Proposal is approved by the Affected Creditors the Trustee shall, within five (5) days of such approval, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

PART XII RELEASES

37. As at 12:01 a.m. the Maturity Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company becomes bankrupt before the terms of the Proposal are fully performed.
38. As of 12:01 a.m. the Maturity Date, each and every present and former officer and director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director or officer of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company becomes bankrupt before the terms of the Proposal are fully performed.

PART XIII MISCELLANEOUS

Preferential Payments

39. Sections 95 to 101 of the Act shall not apply to any dealings by the Company at any time prior to the Date of Filing unless the Company becomes bankrupt before the terms of the Proposal are fully performed. The releases contemplated in Part XII of this Proposal include releases from all claims, actions, or remedies available to Creditors or others pursuant to Sections 95 to 101 of the Act, provided that nothing herein shall release any director of the Company from any

claims coming within the exceptions set out in Section 50(14) of the Act.

Consents, Waivers and Agreements

40. On the Effective Date, all Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

41. The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

42. All obligations of the Company under this Proposal will commence as of the Effective Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Company having made the payments to the Trustee provided for herein and a Certificate of Full Performance is issued by the Trustee to the Company and the Office of the Superintendent of Bankruptcy.

Acceleration of Payments

43. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating any of the Funded Proposal Payments or from satisfying the full amount of the Funded Proposal Payments in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

44. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

PART XIV ANNULMENT OF PROPOSAL

45. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

46. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, as of this 9th day of June 2020

1348441 ONTARIO INC.

Per: _____

Name: Rick Walia

Title: President

APPENDIX "B"

DODICK LANDAU

June 16, 2020

CREDITOR PACKAGE

To the Creditors of 1348441 Ontario Inc. o/a Solutions Your Organized Living Store, ("1348441" or the "Company")

Please be advised that on June 9, 2020, Dodick Landau Inc., in its capacity as Proposal Trustee (the "Proposal Trustee") of the Estate of 1348441 Ontario Inc. o/a Solutions Your Organized Living Store, filed with the Official Receiver a proposal in the name, and on behalf of 1348441 Ontario Inc. (the "Proposal").

The reason you are receiving this letter and the enclosed creditor information ("Creditor Package") is because 1348441 advised the Proposal Trustee that you are a creditor of 1348441 and may be eligible to vote in the Proposal. The purpose of the Creditor Package is to provide you with the information you require to evaluate, and vote on, the Proposal.

Enclosed in this Creditor Package are the following documents:

- 1) Notice of Proposal to Creditors;
- 2) Proposal;
- 3) Trustee's Report on Proposal;
- 4) Statement of Affairs;
- 5) Proof of Claim form with instructions;
- 6) Proxy;
- 7) Voting Letter

A Meeting of the Creditors to consider the Proposal will be held on Friday, June 26, 2020 at 11:00 a.m. Due to physical distancing requirements, the meeting will be held by video conference. Please email brenda.mcknight@dodick.ca to notify us of your intention to attend the Meeting of Creditors. You will then receive an email on the day prior to the meeting giving you a link for the meeting.

In order to be eligible to attend and vote at the meeting of creditors, creditors must have filed with the Proposal Trustee before the meeting, a proof of claim form signed and witnessed as required and accompanied by a statement of account (Schedule "A").

As the meeting is being held by video conferencing, creditors should submit their Proof of Claim form, proxy if required and voting letter in advance of the meeting. The required forms are enclosed in this package.

DODICK LANDAU

Any creditor who wishes to vote by video conference at the Meeting of Creditors may do so, however, due to the forum in which this meeting is being held, patience is required as the trustee must verify the identity of each person voting. A Proof of Claim with Schedule "A" must still be submitted in advance of the meeting.

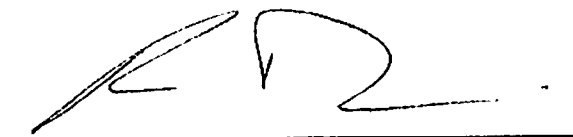
Completed proofs of claim, and other documents may be returned to the Trustee to the attention of Brenda McKnight by fax (416-649-7725) or electronic mail (brenda.mcknight@dodick.ca). Should you need further assistance, you may contact our office by telephone at 416-645-0542. Claims will be accepted for the purpose of attending the meeting and voting, up to 11:00 a.m. on June 26, 2020.

To access further information pertaining to the 1348441 Ontario Inc. proceedings, including an electronic copy of the Creditor Package, please visit the Trustee's website (<http://dodick.ca/public-documents/>).

DODICK LANDAU INC.,

Proposal Trustee of the estate of 1348441 Ontario Inc.
o/a Solutions Your Organized Living Store, and not in its personal or corporate capacity.

Per:



Rahn Dodick, CPA, CA, CIRP, LIT
President.

NOTICE OF PROPOSAL

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario

Take notice that 1348441 Ontario Inc. of the city of Mississauga in the Province of Ontario has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

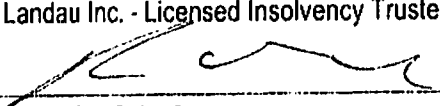
A general meeting of the creditors will be held at Please email brenda.mcknight@dodick.ca to register for the video conference on the 26th day of June 2020 at 11:00 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at the city of Toronto in the Province of Ontario, this 16th day of June 2020.

Dodick Landau Inc. - Licensed Insolvency Trustee



4646 Dufferin St., Suite 6
Toronto ON M3H 5S4
Phone: (416) 736-4357 Fax: (416) 649-7725

PROPOSAL

District of Ontario
Division No.: 09 – Toronto
Estate No. 32-2634165

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)**

**IN THE MATTER OF THE PROPOSAL OF 1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**PROPOSAL
(June 9, 2020)**

**1348441 ONTARIO INC. hereby submits the following Proposal under Part III of the
Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3.**

**PART I
INTERPRETATION**

Definitions

1. In this Proposal:

- (a) “Act” means the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended.**
- (b) “Administrative Fees and Expenses” means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payments, and the legal fees and expenses incurred by the Trustee and the Debtor before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Debtor in connection therewith;**
- (c) “Affected Creditors” means those Creditors of the Company forming Class 1, as defined in Part III of this Proposal;**
- (d) “Approval Order” means an order of the Court approving this Proposal, to be granted pursuant to the provisions of the Act, the appeal period having expired, and no appeal having been filed or any appeal therefrom having**

been dismissed and such dismissal having become final;

- (e) **“Bankruptcy Reserve”** means a reserve amount of \$20,000 to be held by the Trustee as security for the administrative costs of the bankruptcy of the Company, in the event that this Proposal is annulled, and the Company becomes bankrupt;
- (f) **“Business Day”** means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (g) **“Certificate of Full Performance”** means the certificate that the Trustee issues to the Company and to the Official Receiver pursuant to Section 65.3 of the Act;
- (h) **“Claim”** means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (i) **“Company”** means 1348441 Ontario Inc.;
- (j) **“Court”** means the Ontario Superior Court of Justice (In Bankruptcy and Insolvency);
- (k) **“Court Approval Date”** means the date on which the Approval Order is issued;
- (l) **“Creditors”** means any Person having a Claim;
- (m) **“Creditors Meeting”** means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (n) **“Crown Claims”** means Claims of Her Majesty in right of Canada or any province of all amounts of a kind contemplated by section 60(1.1) of the Act;
- (o) **“Date of Filing”** means March 26, 2020, the date on which the Company filed the NOI;

- (p) **“Employee Preferred Claim” means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1) of the Act;**
- (q) **“Effective Date” means 10 calendar days from the date of the Approval Order, unless the Approval Order is appealed, in which case the Effective Date means the later of: (i) one Business Day after the full and final determination of the appeal; and (ii) the expiry of any further appeal periods;**
- (r) **“Event of Default” has the meaning given to it in Part VIII of this Proposal ;**
- (s) **“Funded Proposal Payments” shall mean funds which will be advanced to the Trustee for distribution, as set out and defined in Paragraph 16 hereof;**
- (t) **“Inspectors” means the inspectors appointed pursuant to Part X of this Proposal;**
- (u) **“Levy” means the levy imposed by the Superintendent of Bankruptcy under the Act;**
- (v) **“Maturity Date” means the date on which all payments to the Creditors have been made and the Certificate of Full Performance has been issued by the Trustee to the Company, provided that no Event of Default has occurred that has not been cured or waived;**
- (w) **“NOI” means the Notice of Intention to Make a Proposal filed by the Company on March 26, 2020;**
- (x) **“Person” means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;**
- (y) **“Post-Filing Crown Claims” means all Crown Claims that became due or shall become due on or after the Date of Filing;**
- (z) **“Post-Filing Goods and Services” means the goods supplied, services rendered, and other consideration given or provided to the Company on or after the Date of Filing;**
- (aa) **“Pre-Filing Crown Claims” means all Crown Claims that were outstanding as at the Date of Filing;**
- (ab) **“Preferred Claim” means any claim that is afforded priority under Section 136(1) of the Act;**

- (ac) **“Preferred Creditor” means any Unsecured Creditor holding a Preferred Claim, solely in respect to that Preferred Claim;**
- (ad) **“Proposal” means this proposal dated December 5, 2017, together with any amendments or additions thereto;**
- (ae) **“Proposal Period” means the period between the Court Approval Date and the Maturity Date;**
- (af) **“Proven” as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor’s right of appeal to Court, the Court’s determination of that Claim or any applicable appeal periods having expired and no appeal having been made;**
- (ag) **“Secured Claim” means any Claim by a Secured Creditor, excluding the Crown Claims;**
- (ah) **“Secured Creditor” means a Person holding a mortgage, hypothec, pledge, charge (including the beneficiaries of the Administration Charge and the DIP Lender’s Charge, each as defined and granted in the Order of the Court made in these proceedings dated April 17, 2020), lien or privilege on or against the property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims;**
- (ai) **“Trustee” means Dodick Landau Inc., solely in its capacity as proposal trustee of the Company;**
- (aj) **“Unsecured Claim” means the value of any Proven Claim in respect of which no Security is held; and**
- (ak) **“Unsecured Creditors” means those Persons with Claims in respect of which no security is held, and which is not afforded priority under Section 136(1) of the Act.**

Headings

2. **The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.**

Number, etc.

3. **In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.**

Date for Action

4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Accounting Principles

5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

PART II PURPOSE AND EFFECT OF THIS PROPOSAL

Purpose of Proposal

6. The purpose of this Proposal is to effect a restructuring of the indebtedness of the Company in the manner contemplated herein and as permitted by the Act in the expectation that all Creditors will derive a greater benefit from the restructuring and the continued operation of the business and affairs of the Company than would result from a bankruptcy of the Company.

Effect of Proposal

7. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors will be stayed from commencing or continuing any proceeding or remedy against the Corporation or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.
8. Upon implementation of all elements of this Proposal, and the filing of the Certificate of Full Performance by the Trustee, all Claims against the Company and its directors shall be fully, finally and completely satisfied

PART III CLASSIFICATION OF CREDITORS

9. For the purpose of this Proposal, the Creditors of the Company shall be comprised of single class, consisting of Creditors having Proven Preferred Claims and Unsecured Claims ("Class 1"), which, for greater certainty, shall include Preferred Creditors entitled to vote pursuant to the Act and claims of Her Majesty in right of Canada and any province for all amounts other than Crown Claims.

**PART IV
SECURED CREDITORS**

10. The Company's Secured Creditors shall be unaffected by this Proposal.

**PART V
TREATMENT OF VARIOUS CLAIMS,
FUNDING OF PROPOSAL AND DISTRIBUTION**

Crown Claims

11. The Company covenants and agrees to, within six months after the Effective Date, pay in full all amounts that were outstanding at the Date of Filing of a kind that could be subject to a demand under: (i) Subsection 224(1.2) of the ITA; (ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to s.224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalty or other amounts; or (iii) under any substantially similar provision of provincial legislation, including all amounts contemplated by Section 60(1.1) of the Act. This payment of Crown Claims (if any) will be made in addition to the Funded Proposal Payments.
12. At the Date of Filing, according to the Company, it does not owe any amount to the Canada Revenue Agency for employee source deductions withheld but not remitted, including related penalties and interest calculated up to the Date of Filing.

Employee Preferred Claims

13. As at the date of the filing of the Proposal, the aggregate Employee Preferred Claims are estimated to be in the range of \$80,000 and \$90,000. All Proven Employee Preferred Claims shall be paid out of additional funds to be delivered by the Company to the Trustee and shall be remitted by the Trustee to the entitled claimants (if any) immediately after the Effective Date.

Preferred Claims (in addition to Employee Preferred Claims)

14. Proven Preferred Claims, other than Employee Preferred Claims (if any), which shall be satisfied pursuant to Paragraph 13 of this Proposal, shall be paid in full, without interest, out of the Funded Proposal Payments, in priority to Proven Unsecured Claims.

Unsecured Claims

15. **Proven Unsecured Claims shall be paid out of the Funded Proposal Payments on a pro rata basis.**

Funding the Proposal

16. **The Company's obligation to fund the Funded Proposal Payments shall commence on October 1, 2020. The Company will cause to be paid to the Trustee payments in the form of cash instalments in the aggregate amount of \$5,555.55 every month, for three (3) years, subject to Paragraph 17 of this Proposal (the "Funded Proposal Payments").**
17. **The Funded Proposal Payments will be made until an amount is paid to the Trustee equal to the lesser of:**
 - (i) **20% of the value of the Proven Claims; and**
 - (ii) **\$200,000.**

For greater certainty, the amounts set out in this Paragraph 17 shall not include Crown Claims, if any, which Crown Claims will be paid in addition to the payments referred to in this paragraph.

Distributions

Payment of Employee Preferred Claims

18. **Immediately following the Effective Date, the Trustee shall issue distributions out of such funds in respect of all Proven Employee Preferred Claims.**

Distributions to Unsecured Creditors

19. **Interim distributions will be made to Unsecured Creditors with Proven Unsecured Claims when sufficient Funded Proposal Payments have, in the Trustee's discretion, accumulated to warrant an interim distribution. The Trustee may make an interim distribution at any time and frequency as the Trustee deems appropriate in the Trustee's discretion.**
20. **The Funded Proposal Payments shall be distributed by the Trustee in the following order of priority:**
 - (a) **first, to the Administrative Fees and Expenses;**
 - (b) **second, to establish the Bankruptcy Reserve, to be held in trust by the Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Company in the event that this Proposal is annulled, and the Company becomes bankrupt, failing which such amount shall be distributed in accordance with Subparagraphs 20(c) and 20(d) of this**

Proposal;

- (c) **third, to Proven Claims of Preferred Creditors, other than Employee Preferred Claims which will have been satisfied out of additional funds, without interest (if any); and**
- (d) **fourth, the balance of the Funded Proposal Payments shall be distributed pro rata among all of the Unsecured Creditors on account of Proven Unsecured Claims.**

Amendments to Agreements

- 21. **Notwithstanding the terms and conditions of all agreements or other arrangements with Creditors entered into before the Date of Filing, provided that no Event of Default has occurred and is continuing hereunder, all such agreements or other arrangements will be deemed to be amended to the extent necessary to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern. All Creditors will provide such acknowledgements, agreements, discharges or other documentation as may be necessary to give effect to the intent of this Proposal.**

Treatment of Claims

- 22. **For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.**

**PART VI
POST-FILING OBLIGATIONS**

Payment of Post-Filing Goods & Services

- 23. **During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company**

Post-Filing Crown Claims

- 24. **During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.**

Reporting by the Company

- 25. **During the Proposal Period, the Company shall provide to the Trustee every three months commencing on first day of the month following the month in which the Approval Order is issued, a report containing the information set out below:**

- (i) a cash flow statement for the Company's business and affairs for the prior three months; and
- (ii) evidence of Company's filing and remittance of source deductions and HST.

PART VII LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS

Levy

26. The Levy, if applicable, shall be deducted by the Trustee from payments to creditors by the Trustee.

Payment of Fees and Expenses

27. The Administrative Fees and Expenses, on and incidental to the proceedings arising out of the Proposal, or in a bankruptcy, if any, shall be paid in priority to the Crown Claims, the Claims of Preferred Creditors, and the Claims of general Unsecured Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

28. As per Part V of this Proposal, all Proven Employee Preferred Claims will be paid in priority to other Claims as soon as reasonably possible after the Effective Date.

Preferred Claims

29. As per Part V of this Proposal, all Proven Preferred Claims (if any) are to be paid without interest in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the payments to be made under Part V of this Proposal.

PART VIII EVENTS OF DEFAULT

30. The following events will constitute Events of Default for purposes of section 63 of the Act and otherwise under this Proposal:
- (a) the non-payment by the Company of any of its obligations hereunder within thirty (30) days after written notice has been given by the Trustee

that such payment is past due; and

- (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, other than payment as provided for in Subparagraph 30(a) hereof which is not remedied within thirty (30) days after written notice thereof has been given to the Company by the Trustee.

PART IX TRUSTEE

- 31. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
- 32. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of any levies payable or due under the Act.

PART X INSPECTORS

Appointment of Inspectors

- 33. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

- 34. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
 - (a) the power to extend the dates the Funded Proposal Payments are due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

35. The Trustee shall call a meeting of the Affected Creditors of the Company to seek creditor approval for the Proposal in the requisite majority in number and value of the classes, as set out in the Act, of each of the classes of creditors described in this Proposal. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If the Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

36. In the event the Proposal is approved by the Affected Creditors the Trustee shall, within five (5) days of such approval, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

PART XII RELEASES

37. As at 12:01 a.m. the Maturity Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company becomes bankrupt before the terms of the Proposal are fully performed.
38. As of 12:01 a.m. the Maturity Date, each and every present and former officer and director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director or officer of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company becomes bankrupt before the terms of the Proposal are fully performed.

PART XIII MISCELLANEOUS

Preferential Payments

39. Sections 95 to 101 of the Act shall not apply to any dealings by the Company at any time prior to the Date of Filing unless the Company becomes bankrupt before the terms of the Proposal are fully performed. The releases contemplated in Part XII of this Proposal include releases from all claims, actions, or remedies available to Creditors or others pursuant to Sections 95 to 101 of the Act, provided that nothing herein shall release any director of the Company from any

claims coming within the exceptions set out in Section 50(14) of the Act.

Consents, Waivers and Agreements

40. On the Effective Date, all Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

41. The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

42. All obligations of the Company under this Proposal will commence as of the Effective Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Company having made the payments to the Trustee provided for herein and a Certificate of Full Performance is issued by the Trustee to the Company and the Office of the Superintendent of Bankruptcy.

Acceleration of Payments

43. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating any of the Funded Proposal Payments or from satisfying the full amount of the Funded Proposal Payments in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

44. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

PART XIV ANNULMENT OF PROPOSAL

45. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

46. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, as of this 9th day of June 2020

1348441 ONTARIO INC.

Per: _____

Name: Rick Walia

Title: President

REPORT ON PROPOSAL

Court File No. 32-2634165
Estate File No. 32-2634165

IN THE MATTER OF THE PROPOSAL OF
1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA
IN THE PROVINCE OF ONTARIO

REPORT OF TRUSTEE ON PROPOSAL

JUNE 16, 2020

INTRODUCTION

1. On March 26, 2020 (the "Filing Date"), 1348441 Ontario Inc. (o/a Solutions Your Organized Living Store) (the "Debtor", "Company" or "Solutions") filed with the Official Receiver a Notice of Intention to Make a Proposal ("NOI") to its creditors pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (the "BIA") and named Dodick Landau Inc. ("DLI") as Proposal Trustee (the "Proposal Trustee"). Enclosed as Appendix "A" is a copy of the Certificate of Filing of a Notice of Intention to Make a Proposal.
2. On April 22, 2020:
 - i. in accordance with Section 50.4(9) of the Bankruptcy and Insolvency Act (the "BIA"), the Debtor sought and obtained approval from the Superior Court of Justice (the "Court") to extend the time for filing the Proposal, and the stay of proceedings herein, up to and including June 9, 2020;
 - ii. the Court authorized the Debtor to borrow for general corporate purposes up to \$500,000 under a debtor-in-possession credit facility ("DIP Loan") from Mr. Rick Walia (the "DIP Lender") and the DIP Lender was granted a charge over the current and future assets of the Debtor as security for the borrowings; and
 - iii. the Court granted a charge of up to \$100,000 to legal counsel to the Company, the Proposal Trustee and legal counsel to the Proposal Trustee as security for their professional fees and disbursements in respect of these proceedings.

Enclosed as Appendix "B" is a copy of the April 22, 2020 Court Order and Endorsement.

3. On June 9, 2020, pursuant to section 62 of the BIA, the Debtor filed with the Official Receiver a proposal (the "Proposal"). Enclosed as Appendix "C" is a copy of the Certificate of Filing of a Proposal.
4. The purpose of this report (the "Report") is to provide information to the creditors of the Debtor (the "Creditors") to assist in their evaluation of the Proposal.
5. The Proposal has been developed to effect a restructuring of the Debtor with the expectation that all existing Creditors will derive a greater benefit from the completion of the restructuring and the continued operation of the business and affairs of the Debtor than would result from a liquidation of the Debtor's assets in a bankruptcy proceeding.
6. **A meeting of the Creditors to consider the Proposal will be held by video conference on June 26, 2020 at 11:00 a.m. Details relating to the filing of claims, and other documents, prior to the meeting of the creditors, are outlined in this report and will be mailed to each known Creditor, or their duly appointed representative.**

DISCLAIMER

7. In preparing this Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, the Company's books and records, discussions with the Company's management ("Management"), Creditors and information from other third-party sources (collectively, the "Information"). Except as described in this Report:
 - i. the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information;
 - ii. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants handbook, has not been performed; and
 - iii. the Proposal Trustee has prepared this Report in its capacity as a Court appointed officer and has made a copy of this Report available on DLI's website at www.dodick.ca. Parties using this Report, other than for the purpose of evaluating the Proposal, are cautioned that it may not be appropriate for their purposes. DLI will continue to maintain on its website

copies of any court orders, reports and other material public filings it considers relevant to this proceeding.

8. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
9. The capitalized terms not defined in this report are defined in the Proposal and this Report should only be read in conjunction with the Proposal. While this Report summarizes key aspects of the Proposal, Creditors are advised to carefully read the Proposal in full. Should there be any discrepancy between the summary contained in this Report and the Proposal, the Proposal shall govern.
10. Unless otherwise stated, all monetary amounts contained herein are in Canadian dollars.

BACKGROUND

Operations

11. Since its inception, the Debtor has carried on business as a retailer of storage solutions under the tradename "Solutions Your Organized Living Store" or, colloquially, "Solutions".
12. The Debtor operates out of a head office/distribution centre located at 1775 Sismet Rd in Mississauga, Ontario, which it leases from a related party who owns the building.
13. Until recently, the Debtor also operated twelve (12) retail stores throughout Ontario, all but one of which were sublet from a related party who stood as sublandlord.
14. As of March 1, 2020, the Debtor had 10 employees working in full-time office, administrative and management positions; and, approximately 150 hourly employees working in part-time retail or warehouse positions. The employees are non-unionized, and there is no employer-sponsored pension plan.
15. In light of COVID-19, the Debtor closed all its retail locations in March 2020 as mandated by the Province of Ontario's shut down of non-essential businesses and subsequently decided to permanently close nine out of its twelve retail locations and transferred all inventory, and certain equipment, from these locations to its distribution centre.

16. In conjunction with such closures, the Debtor placed all of its retail store, warehouse, and certain head office, employees on temporary lay-off which for many have resulted in permanent terminations due to nine of the stores not reopening.
17. The Debtor reopened its three remaining retail locations during the week-ended May 24, 2020 as well as its online store.
18. Solutions currently employs 23 full, and part-time, employees at its retail locations and its warehouse. Since its reopening, Solutions has recommenced servicing its customers and maintaining its remaining business in both “brick and mortar” and online formats.

Financial Results

19. Solutions' unaudited financial statements indicate that for its fiscal years ended March 31, 2018, and 2019, it:
 - i. incurred net income (loss) of \$200,380 for the 2018 fiscal year and (\$1,199,344) for the 2019 fiscal year; and
 - ii. had total debt of approximately \$10.4 million in the 2018 fiscal year, and \$12.3 million in the 2019 fiscal year.
20. Solutions' unaudited financial statements for its third quarter- ended December 31, 2019 indicate that it incurred an operating loss of \$666,707 and had total debt of approximately \$12.9 million.

CAUSES OF FINANCIAL DIFFICULTIES

21. In its fiscal year-ended March 31, 2019, Solutions' experienced an approximately 15% decrease in sales over fiscal year ended March 31, 2018. According to Management, this was a result of three principal challenges:
 - i. commencing in 2018, a new competitor opened seven competing stores in Solutions' key markets;
 - ii. the loss of a key supplier relationship; and
 - iii. although the growth of digital retail did not initially impact the storage solutions market, its effects were felt in 2019 resulting in declining sales.

22. In its attempt to counter these effects, the Debtor: (a) made strategic decisions on staffing and products; and (b) continued to invest in and evolve its own online retail platform.
23. Each of the above strategies was promising and the Debtor was seeing improved results at the end of 2019. However, the impact of COVID-19 was too much for the Debtor to manage.
24. The effects of COVID-19 were felt first by a decline in foot traffic and sales in early February 2020 followed by the general business “lock-down” which took effect at the end of March 2020. The provincially mandated closure coupled with demands being issued by The Bank of Nova Scotia (“BNS”) (discussed further herein) resulted in the NOI being filed by Solutions on March 26, 2020.

SECURED AND UNSECURED DEBT

Secured Creditors

BNS

25. On June 25, 2018, BNS and the Debtor entered into a commitment letter (the “**Commitment Letter**”).
26. As security for its obligations to BNS, the Debtor executed a general security agreement in favour of BNS, granting to BNS a security interest in all of the Debtor’s present and after acquired personal property, which security is registered against the Debtor pursuant to the Ontario Personal Property Security Act (the “**PPSA**”).
27. Pursuant to the Commitment Letter, BNS made various credit facilities available to the Debtor, which facilities were drawn on by the Debtor. As at March 26, 2020, the date of the NOI, the Debtor was indebted to BNS under the Commitment Letter in the approximate aggregate amounts of (CAD) \$5,453,820 and (USD) \$387,834.
28. The indebtedness to BNS is also guaranteed by the related entity which owns the real property in which the head office/distribution centre is located.
29. Immediately prior to the filing of the NOI, BNS issued demands for repayment and notices under Section 244 of the BIA as against the Debtor and all guarantors. The Debtor had previously engaged in discussions with BNS and waived the notice period under the Section 244 notices, on the understanding that BNS would support the Debtor’s efforts to restructure its business. The Debtor also entered into a formal forbearance with BNS to facilitate its restructuring efforts through the NOI and proposal periods. A key term in the forbearance was that the Debtor was required to file its Proposal on or before June 10, 2020.

Related Party Loans

30. According to Management, pursuant to various loans, the Debtor is indebted to Mr. Walia, the sole shareholder of the Debtor, in the aggregate amount of approximately \$6.3 million ("**Related Party Loans**"). The Related Party Loans were excluded from the initial creditor list provided by the Debtor to the Proposal Trustee and, therefore, were not included on the creditor list appended to the NOI.
31. The Related Party Loans are secured by a general security agreement executed by the Debtor, and registered pursuant to the PPSA, on March 17, 2020. Based on the Proposal Trustee's review of the Debtor's financial statements, the Proposal Trustee understands that the Related Party Loans existed prior to March 17, 2020, however, it appears they were unsecured until March 17, 2020.
32. The Proposal Trustee has not obtained a security opinion on the validity of the security granted in relation to the Related Party Loans. However, it appears that based on the timing of registration of the security, the security granted in respect to the Related Party Loans is subordinate to BNS's security, Crown Priority Claims and the Employee Priority Claims which have super-priority status.

Crown Claims

33. The Company is indebted to CRA for approximately \$23,000 for pre-filing unremitted source deductions. As of the date of this Report, Solutions is current in remitting post-filing payroll source deductions, as well as filing the respective returns. However, Solutions is past due in filing its stub-period March 2020 and April 2020 HST returns, each due at the end of the following month. According to Management, preparation of the HST returns is in process and will be completed by the end of June 2020.

Employee Preferred Claims

34. As of the date of this Report, Employee Preferred Claims are estimated by Management to be approximately \$107,000 which represents unpaid wages and vacation pay owed to approximately 150 employees of the Debtor. These amounts would be subject to super-priority in the BIA pursuant to sections 81.3 in the case of a bankruptcy and a preferred claim pursuant to section 60(1.3)(a) of the BIA in the case of a Proposal.

Unsecured Trade Creditors

35. According to Management, Solutions' unsecured trade debt totaled approximately \$958,000 at the date the NOI was filed. The unsecured indebtedness is owed to approximately 80 known unsecured trade creditors.

THE PROPOSAL

Class

36. For the purpose of the Proposal, the Creditors of the Company are comprised of a single class, consisting of Creditors having unsecured claims ("**Class 1**").
37. For greater certainty, the Creditors entitled to vote in Class 1 consist of unsecured trade creditors (i.e., holding claims without priority under the BIA), Preferred Creditors pursuant to the BIA, and claims of Her Majesty in right of Canada and any province for all amounts other than Crown Priority Claims.

Treatment of Creditors

38. **Crown Priority Claims** are pre-filing claims of CRA, or any province, contemplated by section 60(1.1) of the BIA, which section relates to unremitted source deductions. Pursuant to the Proposal, proven Crown Priority Claims will be paid in full, with only payment of Administrative Fees and Expenses and the Bankruptcy Reserve being paid in priority to such amounts. The Proposal provides that proven Crown Priority Claims will be remitted to the CRA or the province (as applicable) from amounts to be paid by the Company to the Proposal Trustee in addition to Funded Proposal Payments (as defined and discussed further herein) Such remittances are to be made within six (6) months of the Court Approval Date. The Debtor owes approximately \$23,000 to CRA for unremitted source deductions.
39. **Secured Creditors** are not Affected Creditors for the purposes of the Proposal. The Secured Creditors are not entitled to vote on the Proposal. For greater certainty, the Company acknowledges and agrees that BNS is not an Affected Creditor in the Proposal.
40. **Employee Preferred Claims** shall vote as part of the Unsecured Creditor class and will be paid from additional funds to be delivered by the Debtor to the Trustee and shall be remitted by the Trustee to the entitled claimants, if any, immediately after the Effective Date ("**Additional Funds**").

41. **Preferred Claims**, if any, shall vote as part of the Unsecured Creditor class and will be paid in full without interest out of the Funded Proposal Payments, in priority to all claims of Unsecured Creditors in accordance with the scheme of distribution set forth in the BIA.
42. **Unsecured Creditors** shall vote as a class and will be paid from the Funded Proposal Payments on a pro rata basis as provided for in paragraph 16 of the Proposal and summarized below.

Funding the Proposal

43. The Company's obligation to fund the Proposal shall commence on October 1, 2020. The Company will cause to be paid to the Proposal Trustee payments in the form of monthly cash instalments in the aggregate amount of \$5,555.55 every month.
44. The Proposal Payments will be made over a three (3) year period until an amount is paid to the Proposal Trustee equal to the lesser of:
 - i. 20% of the value of the Proven Claims; and
 - ii. \$200,000 ("Funded Proposal Payment").

These amounts shall not include Crown Claims, and Employee Preferred Claims, which shall be paid in addition to the Funded Proposal Payment.

Distributions

Crown Claims

45. The Proposal Trustee shall issue distributions to CRA out of such additional funds in respect of all Proven Crown Claims within six months of the Effective Date.

Employee Preferred Claims

46. In accordance with the terms of the Proposal, immediately following the Effective Date, the Proposal Trustee shall issue distributions out of such Additional Funds in respect of all Proven Employee Preferred Claims.

Unsecured Creditors

47. In accordance with the terms of the Proposal, the Proposal Trustee will make interim distributions to the Creditors when sufficient amounts have, in the Proposal Trustee's discretion, accumulated to warrant a distribution.

48. All distributions made by the Proposal Trustee pursuant to the Proposal are subject to the Superintendent's Levy in accordance with the BIA. As the Secured Creditors will receive payments from the Purchaser directly, such payments are not distributions by the Proposal Trustee and not subject to the Superintendent's Levy.
49. The Funded Proposal Payments will be distributed by the Proposal Trustee in the following order of priority:
- i. *Administrative Fees and Expenses* - To fund all administrative fees and expenses of the Proposal Trustee, including the legal fees of the Trustee and the Debtor.
 - ii. *Bankruptcy Reserve* - To establish a reserve of \$20,000 to be held in trust by the Proposal Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Company in the event that the Proposal is annulled and the Company becomes bankrupt, failing which such amount shall be distributed to the Creditors in the priority set out in the Proposal.
 - iii. *Proven Claims of Preferred Creditors* – To pay all Proven Preferred Claims, if any, other than Employee Preferred Claims which will have been satisfied out of Additional Funds, without interest.
 - iv. *Proven Claims of Unsecured Creditors* – The remainder will be distributed among all the Unsecured Creditors, who will share *pro rata* out of the funds available after payment of the foregoing.

Reporting by the Company

50. During the Proposal period, the Company shall provide to the Proposal Trustee every three months commencing on first day of the month following the month in which the Approval Order is issued, a report containing the information set out below:
- i. a cash flow statement with the Company's actual cash flow for the business for the prior three months; and
 - ii. evidence of the Company's filing and remittance of source deductions and HST.

OVERVIEW OF THE DEBTOR'S WEEKLY CASH FLOW FORECAST

51. The Debtor, with the assistance of the Proposal Trustee, has prepared a cash flow forecast for the period from May 25, 2020 to August 30, 2020 ("**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "D"** to this Report. The Cash Flow Forecast has been prepared by Management of the Debtor for the purpose of this motion, using probable and hypothetical assumptions set out in notes 1 to 13 attached to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the fourteen-week forecast period in Canadian dollars.
52. The Cash Flow Forecast projects that the Debtor will have sufficient liquidity to a) fund its expenses in the Proposal proceeding through to August 30, 2020; b) repay the DIP Loan; and c) commence paying down its line of credit with BNS.
53. Since the filing of the NOI the Debtor has experienced a positive net cash flow variance of approximately \$200,000 for the period from March 23, 2020 to May 24, 2020. ("**Cash Flow Variance**"). A copy of the Cash Flow Variance is included with Appendix "D". The Cash Flow Variance is primarily a timing difference on account of unpaid rent for certain of the Debtors' remaining retail stores as well as unexpected receipts from the reopening of the Debtors' three remaining retail locations in late May 2020, due to the relaxation of COVID-19 restrictions. The Debtor's preliminary forecast assumed that its retail locations would only be able to reopen in June 2020. The Proposal Trustee has been advised that the Debtor is working with certain landlords to apply for a government subsidy under the Canada Emergency Commercial Rent Assistance Program ("**CECRAP**"). As a result, the variance attributable to rent which is currently a timing difference may become a permanent difference should the landlords be approved for the CECRAP rent subsidies.
54. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by certain of the Management and employees of the Debtor. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of the Debtor for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
55. Based on the Proposal Trustee's review, nothing has come to its attention to cause it to

believe that, in all material respects:

- i. the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - ii. as at the date of this Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtor or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
 - iii. the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.
56. As described in the Disclaimer above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results may vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material.
57. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

LIQUIDATION ANALYSIS / ESTIMATED RECOVERY IN BANKRUPTCY

Liquidation Analysis

58. In the event that the Proposal is not accepted by the Creditors and the Debtor is deemed bankrupt, the following liquidation analysis represents the estimated value of the Debtor's assets should there be a liquidation.
59. The Proposal Trustee has relied on representations of the Company in determining the estimated liquidation value of the assets. The liquidation analysis was prepared at a point in time, being May 22, 2020, before the stores reopened. Following the reopening of the stores, the value of the inventory will change daily as sales are made and a limited amount of new inventory is received into the retail locations. Accordingly, in the event that the Company were to become bankrupt and a liquidation was conducted, the realizable value of the assets at that time may be different than presented below.

Summary of Estimated Liquidation Value - Solutions		
As at May 22, 2020		
(000's)		
	Notes	Total
Receipts		
Cash		nil
Inventory	1	5,210,720
furniture, fixtures	2	200,000
Total Receipts		5,410,720
Disbursements		
Employee costs	3	150,000
Liquidator's fee	4	405,804
Occupancy costs	5	707,640
Total Disbursements		1,263,444
Net Cash Flow from Liquidation		\$ 4,147,276

Notes:

1. *Inventory in the three remaining stores and the warehouse consists of storage products and it is assumed it can be liquidated on average at 80% of book value over 4-months.*
2. *Furniture and fixtures from the retail locations as well as warehouse equipment and certain vehicles with a book value of approximately \$1.0 million is estimated to be liquidated at 20% of book value over 4-months.*
3. *Employee costs consist of the retention of 50% of the remaining employees for a period of 4 months to assist with the liquidation of the inventory on hand in the retail stores and distribution center including the furniture and fixtures.*
4. *A liquidator is assumed to be paid on average 7.5% of the net realizable value of the inventory and furniture/fixtures.*
5. *Occupancy costs are assumed to be paid to occupy Solutions' remaining three leased retail premises and head office for a 4-month liquidation period.*

Estimated Recovery – Bankruptcy vs. Proposal Scenario

60. The following chart (which is rounded to the nearest thousands of dollars) sets out the expected recovery to BNS, Employee Preferred Claims and the Unsecured Creditors under a Liquidation/Bankruptcy scenario and the Proposal scenario. As can be seen below, the net estimated recovery to:

- i. the Unsecured Creditors in a liquidation/Bankruptcy scenario is **NIL** versus approximately **14%** under the Proposal scenario; and
- ii. BNS in a liquidation/Bankruptcy scenario is **66%** versus an expected **100%** under the Proposal Scenario as BNS is an unaffected creditor in a Proposal Scenario and is expected to be repaid in full by way of a refinancing outside of the Proposal proceeding.

Estimated Recovery in a Liquidation/Bankruptcy Scenario		Estimated Recovery in a Proposal Scenario	
Liquidation Value of Assets	4,147	Funded Proposal Payments (note 1)	200
Less: Crown Priority Claims - Deemed Trust Portion (note 2)	- 23	Less: Crown Priority Claims - Deemed Trust Portion (note 2)	n/a
Less: Employee Preferred Claims (note 3)	- 107	Less: Employee Preferred Claims (note 3)	n/a
Less: Estimated Professional fees and expenses (note 4)	- 60	Less: Estimated Professional fees and expenses (note 4)	- 60
Less: Secured Claim to be filed by BNS (note 5)	- 6,000	Less: Secured Claim to be filed by BNS (note 5)	n/a
Shortfall to BNS	<u>- 2,043</u>		140
		Less: Superintendent's Levy (note 6)	- 10
		Net amount available for Preferred and Unsecured Creditors	130
		Estimated Claims of Preferred Creditors (note 7)	-
		Net amount available for Unsecured Creditors	130
		Estimated Claims of Unsecured Creditors	958
Estimated Recovery to BNS	<u>66%</u>	Estimated Recovery to Secured Creditors	n/a
Estimated Recovery to Other Secured Creditors	<u>NIL</u>	Estimated Recovery to CRA for Crown Claims	100%
Estimated Recovery to CRA for Crown Claims	<u>100%</u>	Estimated Recovery to Employee Preferred Creditors	100%
Estimated Recovery to Employee Preferred Creditors	<u>100%</u>	Estimated Recovery to Unsecured Creditors	14%
Estimated Recovery to Unsecured Creditors	<u>NIL</u>		

Notes:

1. For the purposes of the above analysis the aggregate amount of the Proposal payments is assumed to be \$200,000. However, the Company is required to pay the Proposal Trustee aggregate Proposal payments equal to the lesser of: 20% of the value of the proven Claims; and \$200,000. Therefore, the actual amount of the Proposal payments will differ based on the actual value of the proven Claims.
2. In both scenarios CRA will receive 100% of its deemed trust entitlement. In a Bankruptcy Scenario, CRA's deemed trust for Crown Priority claims would be paid in priority to all other claims from the net proceeds of liquidation, thereby reducing recovery to other creditors. In the Proposal Scenario, CRA will be paid from additional funds to be provided by the Company to the Proposal Trustee.
3. Employee Preferred Claims are also expected to be paid in full under either a Bankruptcy Scenario or a Proposal. For the purposes of the above analysis the Employee Preferred Claims are assumed to be \$107,000. The actual payment will depend on the value of the proven Employee Preferred Claims filed with the Proposal Trustee. Under the terms of the Proposal, Employee Preferred Claims shall receive distributions from the additional funds and not the Funded Proposal Payments.
4. This amount represents a provision for the estimated professional fees associated with a bankruptcy proceeding. In the case of a bankruptcy, the professional fees would be paid in priority to BNS pursuant to the Administration Charge. In the case of a proposal, professional fees include the cost of administering the proposal before and after Court approval and would be paid from the proposal payments.
5. BNS will receive no distributions pursuant to this Proposal. BNS is not an Affected Creditor as BNS expects to be refinanced outside of the Proposal. However, assuming BNS is not refinanced and there is a bankruptcy, BNS will be paid in priority to Crown Claims, Employee Preferred Claims and Trustee in Bankruptcy fees/disbursements and BNS is estimated to incur a \$2.0 million shortfall on the realization of its security and a 66% recovery on its loans.

In a bankruptcy/liquidation it is estimated that there will be no recovery to any other secured creditors. In the proposal scenario all secured creditors are unaffected by the proposal.

6. *The Superintendent's Levy is applicable to payments made to Preferred and Unsecured Creditors and is calculated as 5% of each payment. In the bankruptcy scenario it is assumed that a parallel receivership would be commenced by BNS to realize on its security which would result in no levy being withheld or remitted on realization of its security interest.*
7. *There are no known preferred claims other than Employee Preferred Claims.*

CREDITORS' MEETING/VOTING PROCEDURE AND CLASSES OF CREDITORS

Creditors' Meeting/Voting Procedure

61. The primary purpose of the Creditors' Meeting is to permit Creditors to consider the acceptance or rejection of the Proposal. For the Proposal to be accepted, at least two-thirds (66.67%) of each creditor class by dollar value, and more than 50% of each creditor class by number, must vote in favour of the Proposal at the meeting either in person, by proxy or by mailing a voting letter to the Proposal Trustee in advance of the meeting. Only Creditors who actually vote are counted for the purpose of determining whether the necessary thresholds have been reached. Creditors related to the Debtor may not vote for the Proposal.
62. **To be eligible to vote on the Proposal, Creditors must have filed with the Proposal Trustee, before the meeting, a proof of claim form signed and witnessed as required and accompanied by a statement of account or affidavit in support of the claim. Those Creditors who do not intend to have a personal representative at the meeting, to be held on June 26, 2020 by video conference, may complete and submit the voting letter which is enclosed in the creditor package prior to the meeting indicating their vote for or against the acceptance of the Proposal. The Proposal Trustee has also enclosed a form of proxy should a Creditor wish to appoint a proxy to represent them at the meeting. If the Proposal is not accepted by the required majorities of unsecured creditors, the Debtor will be deemed bankrupt.**
63. If the Proposal is accepted by the required statutory majorities referenced above, the Proposal Trustee will then make an application to the Court for approval of the Proposal. If the Court grants such approval (the "Approval Order"), the Proposal will be binding on all Creditors and such Creditors, and their respective heirs, executors, administrators, successors and assigns, shall have no further Claim against the Debtor other than for the distributions provided in the Proposal.

Class of Creditors

64. As described above, for purposes of considering, and voting on, the Proposal, and receiving a distribution pursuant to the Proposal, the Creditors are grouped in one (1) class consisting of Creditors having unsecured Claims. Preferred Creditors and proven Claims of Her Majesty in right

of Canada and any province for all amounts other than Crown Priority Claims are entitled to vote in the Unsecured Creditor Class.

65. The Proposal does not compromise the following Creditor Claims:
- i. Claims for goods and/or services delivered to the Company on or after the Date of Filing, March 26, 2020, including Administrative Fees and Expenses;
 - ii. Crown Priority Claims, if any;
 - iii. Proven Claims of Preferred Creditors, if any, payable in priority to all claims of Unsecured Creditors in accordance with the scheme of distribution set forth in the BIA; and
 - iv. Secured Creditor Claims.
66. Distributions to Creditors will be made as described in the "Distribution" section of this Report.

ALTERNATIVES TO THE PROPOSAL

67. At the Creditors' Meeting, the Creditors will be asked by the Proposal Trustee to choose between two alternatives, namely accepting the Proposal, or rejecting the Proposal, which would result in the Debtor being deemed bankrupt.
68. For the reasons described above, the Proposal Trustee is of the view that the Proposal Scenario, will produce a more favourable result for the Creditors of the Debtor than would the liquidation sale of the assets in a bankruptcy.

CONDUCT OF THE DEBTOR

Preference Transactions and Transfers at Undervalue

69. The Proposal contemplates that Sections 95-101 of the BIA shall not apply in connection with this Proposal and, as a result, the Proposal Trustee shall have no responsibility, liability or authority whatsoever in connection herewith. Accordingly, the Proposal Trustee has not undertaken a detailed review for possible preference transactions or transfers at undervalue.
70. If the Company was to become bankrupt, and either preference transactions or transfers at undervalue did occur, it is possible that some of these transactions could be found to be void through Court proceedings.

Conduct Post-Filing

71. Pursuant to Section 50(10) of the BIA, the Proposal Trustee is required to monitor the affairs of the Company until the Proposal is approved by the Court.
72. During the NOI Period, the Company worked diligently with the Proposal Trustee to prepare its Proposal, as well as to manage costs and continue operations. The Company is working diligently to complete the Proposal. The Debtor continues to run its day to day operations in its three remaining stores, and online, and is meeting its liquidity needs in order to be able to successfully implement the Proposal.

CREDITORS' CLAIMS

73. To date, 7 provable claims in the Proposal have been received by the Proposal Trustee.

PREVIOUS BUSINESS DEALINGS WITH THE DEBTOR

74. The Proposal Trustee has not had any business dealings with the Debtor prior to its appointment as Proposal Trustee and is not in a conflict of interest.

SUMMARY COMMENTS/RECOMMENDATION

75. For the reasons set out in this Report it is the Proposal Trustee's opinion that:
- i. the Proposal will allow for a greater recovery to the Creditors of the Company than they would receive in a liquidation of the Company's assets in a bankruptcy proceeding; and
 - ii. acceptance of the Proposal is in the best interest of the Creditors. If the Proposal is rejected by the Creditors, the Company will be deemed automatically bankrupt and it is uncertain what the actual realizable values of the assets will ultimately be in a bankruptcy scenario.
76. Accordingly, the Proposal Trustee recommends that the Creditors vote in favour of the Proposal.

Yours very truly,

DODICK LANDAU INC.

Trustee *re* the Proposal of 1348441 Ontario Inc.
and not in its personal or corporate capacity.

Per: 

Rahn Dodick, CPA, CA, CIRP, LIT

1348441 Ontario Inc. (o/a Solutions Your Organized Living Store)
Cash Flow Forecast Variance
For the period from May 11, 2020 to May 24, 2020 and March 23, 2020 to May 24, 2020

	May 11 to May 24, 2020				March 23 to May 24, 2020			
	Forecast	Actuals	Variance	Notes	Forecast	Actuals	Variance	Notes
Receipts								
Store Receipts (excluding taxes)	-	13,744	13,744		-	13,744	13,744	
Sales Taxes	-	1,787	1,787		-	1,787	1,787	
Total Receipts	-	15,530	15,530	1	-	15,530	15,530	1
Disbursements								
Cost of Sales	-	-	-		-	-	-	
Payroll	-	-	-		-	-	-	
Occupancy Costs (including HST)	-	-	-		(272,119)	(95,704)	176,415	2
HST payable	-	-	-		-	-	-	
Insurance	-	(1,503)	(1,503)	3	(4,000)	(1,503)	2,497	3
Transportation	-	-	-		-	(26,544)	(26,544)	4
Total Disbursements	-	(1,503)	(1,503)		(276,119)	(123,750)	152,368	
Net Cash flow from Operations (excl. restructuring costs)	-	14,027	14,027		(276,119)	(108,220)	167,899	
Less: Restructuring Professional Fees & Disbursements	(19,210)	(6,807)	12,403	5	(37,742)	(6,807)	30,935	5
Net Cash flow from Operations (incl. restructuring costs)	(19,210)	7,220	26,430		(313,861)	(115,027)	198,834	
Cash Balance								
Opening Cash Balance	-	-	-		-	-	-	
Add: Net Cash Flow from Operations	(19,210)	7,220	(26,430)		(313,861)	(115,027)	(198,834)	
Closing Cash Balance from Operations (before DIP loan)	(19,210)	7,220	(26,430)		(313,861)	(115,027)	(198,834)	
Add: DIP loan	19,210	(7,220)	26,430	6	313,861	115,027	198,834	6
Closing Cash Balance from Operations (after DIP loan)	-	-	-		-	-	-	

Notes

1) Due to the relaxation of COVID-19 restrictions, the three remaining stores were permitted to begin reopening on May 19, 2020 which is earlier than the previously forecast date of June 1, 2020. During the week-ended May 24, 2020, the three remaining stores were open for six days, however, cash receipts in the week-ended May 24, 2020 reflects receipts from two of the six days. Cash receipts from the remaining 4 days were received in the following week in the bank due to timing of transfers from merchant accounts. Sales are comprised of in store sales, as well as online sales filled at both the store locations and the distribution center.

2) The Occupancy Cost variance relates primarily to May 2020 rent for Store #2 (\$43,200), Store #5 (\$47,311) and Store #9 (\$39,599) plus April 2020 rent for Store #2 (\$43,200) which still remains unpaid. According to Management, 134 is attempting to defer rent payments for as long as possible while the stores were forced to remain closed during the Covid-19 mandated closure. According to Mr. Walia, 134 is working with the Ottawa and Mississauga landlords to apply for a government subsidy under the Canada Emergency Commercial Rent Assistance Program ("CECRAP"). As a result, the variance which is currently a timing difference, may become at least in part a permanent difference should the landlord's be approved for the CECRAP rent subsidies. The London, Ontario landlord has not agreed to apply to the program and continues to require 134 to pay rent when due. In addition, utilities of approximately \$3,000 have not been paid due to the permitted 60-day "Covid-19" utilities deferral.

3) The Company renewed its insurance policy and the first payment was made during the week of May 24, 2020.

4) Transportation costs incurred of \$26,544 relate to the transfer of inventory from the closed stores to the distribution center in Mississauga which was funded by Rick Walia. Management had forecast transportation costs to be \$2,000 per month and, therefore, underestimated the cost.

5) The favourable variance relates to a timing difference of approximately \$20,000 and \$10,000 with respect to debtor legal counsel and lender legal counsel fees, respectively, which are now forecast to be paid in June 2020, and approximately \$4,000 is a permanent difference due to lower professional fees incurred as compared to forecast.

6) As a result of the cash flow variances described above, the DIP loan required to be advanced by Rick Walia was approximately \$199,000 lower than forecast. The majority of this favourable variance is timing and the underlying expenditures such as rent and professional fees still need to be paid. As described above, a portion of the rent arrears may be forgiven if the CECRAP subsidy applications are approved for the Mississauga and Ottawa landlords.

1348441 Ontario Inc. (o/a Solutions Your Organized Living Store)
 Weekly Cash Flow Forecast
 For the period from May 25, 2020 to August 30, 2020
 Prepared by Management

Week Ending	Notes	31-May-20 1	07-Jun-20 2	14-Jun-20 3	21-Jun-20 4	28-Jun-20 5	05-Jul-20 6	12-Jul-20 7	19-Jul-20 8	26-Jul-20 9	02-Aug-20 10	09-Aug-20 11	16-Aug-20 12	23-Aug-20 13	30-Aug-20 14	TOTAL
Receipts																
Store Receipts (excluding taxes)	2	68,454	66,385	69,311	79,689	97,020	117,494	112,024	113,154	135,823	139,106	136,388	171,332	164,127	209,067	1,879,373
Sales Taxes	3	8,899	8,630	9,010	10,360	12,613	15,274	14,563	14,710	17,657	18,084	17,730	22,273	21,336	27,179	218,318
Total Receipts		77,353	75,015	78,322	90,048	109,633	132,768	126,587	127,864	153,480	157,190	154,118	193,605	185,463	236,246	1,897,691
Disbursements																
Cost of Sales	4	-	(33,193)	(13,862)	(15,938)	(19,404)	(23,499)	(22,405)	(22,631)	(27,165)	(27,821)	(27,278)	(34,266)	(32,825)	(41,813)	(342,099)
Payroll	5	(6,830)	(2,278)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(29,226)	(7,767)	(231,066)
Occupancy Costs (including HST)	6	(131,110)	-	-	-	-	(176,910)	-	(176,415)	-	(176,910)	-	-	-	-	(661,344)
HST payable	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,000)
Insurance	8	(2,000)	-	-	-	-	(2,000)	-	-	-	(2,000)	-	-	-	(20,911)	(42,824)
Transportation	9	-	-	-	-	-	(2,000)	-	-	-	(2,000)	-	-	-	-	(4,000)
Total Disbursements		(139,940)	(35,471)	(43,088)	(23,705)	(48,630)	(212,175)	(51,631)	(206,813)	(78,304)	(216,498)	(56,504)	(42,033)	(62,051)	(70,491)	(1,287,334)
Net Cash flow from Operations (excl. restructuring costs)		(62,587)	39,545	35,233	66,343	61,003	(79,407)	74,956	(78,949)	75,176	(59,308)	97,614	151,572	123,412	165,755	610,358
Less: Restructuring Professional Fees & Disbursements	10	(21,470)	-	-	-	(37,290)	-	-	-	(29,380)	-	-	-	-	(29,380)	(117,520)
Net Cash flow from Operations (incl. restructuring costs)		(84,057)	39,545	35,233	66,343	23,713	(79,407)	74,956	(78,949)	45,796	(59,308)	97,614	151,572	123,412	136,375	492,838
DIP Loan Balance																
Opening DIP Loan Balance		115,027	199,084	159,539	124,306	57,962	34,250	113,657	38,701	117,650	71,855	131,163	33,548	-	-	115,027
Add/(reduce): DIP loan	11	84,057	(39,545)	(35,233)	(66,343)	(23,713)	79,407	(74,956)	78,949	(45,796)	59,308	(97,614)	(33,548)	-	-	(115,027)
Closing DIP Loan Balance		199,084	159,539	124,306	57,962	34,250	113,657	38,701	117,650	71,855	131,163	33,548	-	-	-	-
Bank Loan Balance																
Opening LOC Balance		6,033,420	6,038,540	6,039,661	6,042,784	6,045,909	6,049,035	6,052,163	6,055,293	6,058,424	6,061,557	6,064,691	6,067,827	5,952,941	5,832,607	6,033,420
Add: Interest	12	3,120	3,121	3,123	3,125	3,126	3,128	3,130	3,131	3,133	3,134	3,136	3,138	3,078	3,016	43,839
Less: Repayments		-	-	-	-	-	-	-	-	-	-	-	(118,024)	(123,412)	(136,375)	(377,811)
Closing LOC Balance	13	6,036,540	6,039,661	6,042,784	6,045,909	6,049,035	6,052,163	6,055,293	6,058,424	6,061,557	6,064,691	6,067,827	5,952,941	5,832,607	5,699,248	5,699,248

Note: This weekly cash flow forecast should be read together with its associated notes describing major assumptions included in the forecast.

1348441 Ontario Inc. ("Solutions" or the "Company")
Major Assumptions
Weekly Cash Flow Forecast
For the Period May 25, 2020 to August 30, 2020 (the "Period")

1. The Company's financial projections are based on the hypotheses that only three of its twelve stores will remain open and the remaining nine stores will permanently close. The permanent closures are the result of poor sales due to increased digital disruption and new competition, which has been exacerbated by the mandated COVID-19 closures from end of March 2020 to May 19, 2020, as the Company's stores were deemed to be non-essential workplaces by the Ontario Provincial Government. All twelve stores closed in the days prior to the filing of the Notice of Intention to Make a Proposal ("NOI") in accordance with the mandated closures by the Ontario Provincial Government. Eleven of the twelve stores' leases are in the name of a related company and one store lease is in the name of the Company.

By mid-April, the Company transferred all inventory from the nine stores that will not reopen to the distribution center. The Company couldn't afford to continue to pay rent for the nine non-performing stores during the Covid-19 closures while waiting for the Ontario Provincial Government to lift the mandated closures. The store closures will result in rent savings of over \$300,000 per month. The stores' fixtures were not transferred to the distribution center as their cost of removal, transport and storage is estimated to be greater than their net realizable value. As well, some of the store fixtures are specialized in nature and would be difficult to sell.

Receipts:

2. As described above, the three remaining stores opened earlier than originally forecast during the week-ended May 24, 2020. Forecast store receipts were calculated by the district manager based on the sales in the same three stores during the same weeks in the previous year (2019). Store receipts were then discounted beginning the week-ending May 31, 2020 by up to 30% to take into consideration that it will take time for sales to get back to normal. By mid-July 2020 sales receipts are forecast to be back to normal and exceed prior year's sales in the same period by 5% to 10%. Store receipts are net of credit card merchant fees.

3. Sales taxes are collected on all store sales and remitted to the Canada Revenue Agency ("CRA") by the end of the following month net of Input Tax Credits.

Disbursements:

4. The Company intends to liquidate the inventory from the nine stores transferred to its distribution center through the remaining three operating stores, as well as online sales, over a period of six to nine months. As such, the three remaining stores' cost of sales will be reduced in half to 20% by mid-June 2020 as only inventory purchases to augment the current inventory in the warehouse will be purchased. It is assumed that any new inventory purchased will need to be paid upon delivery or in advance, as vendors are expected not to provide credit terms as a result of the NOI proceeding and the non-payment of arrears.
5. Payroll includes amounts for salaried and hourly employees in the three remaining stores and the warehouse/head office and are paid bi-weekly. Other payroll costs include source deduction remittances to the CRA which is also remitted on a bi-weekly basis during the Period. It is assumed that all employees will remain on layoff and only those needed to operate the three remaining stores will be hired back.
6. Occupancy expenses consist of the Company's rent for the three remaining stores beginning from the date the NOI was filed plus those stores' estimated utility costs. It is assumed rent will be paid when due for the period after the NOI was filed including during the closures. However, the Company continues to attempt to negotiate a reduction or deferral of rent with the landlords and as a result it has not paid May 2020 rent for all three stores and April 2020 rent for one of the stores. According to Management, 134 is working with the Ottawa and Mississauga landlords to apply for a government subsidy under the Canada Emergency Commercial Rent Assistance Program ("CECRAP"). As a result, the variance which is currently a timing difference, may become at least in part a permanent difference should the landlords be approved for the CECRAP rent subsidies. The London, Ontario landlord has not agreed to apply to the program and continues to require 134 to pay rent when due. Until such time as the CECRAP is approved, the non-payment of rent arrears remains due. As such, we have assumed by July 2020 the Company

will know if it has been approved or not, and we have assumed that it will not be approved and the arrears will need to be paid in July 2020.

The Company's head office and warehouse rent totals approximately \$28,000 per month and is payable to a related party that owns the real property. The related party has agreed to a rent holiday until July 2020 to assist the Company during the forced closure period. Nevertheless, the related party is required to continue to make its mortgage payments to the Bank of Nova Scotia ("BNS") on time.

7. The store closures resulted in the Company being in a net HST refund position until June 2020 which refund CRA will in part apply against the Company's HST payable totaling approximately \$29,000. As such, the Company does not forecast to be in a net HST payable position until July 2020 after it experiences HST collections from a full month of sales.
8. Company insurance coverages have continued to be maintained by the Company at existing insurance limits. During the Period, the Company has renewed its insurance coverage and has considered whether a reduction in the number of stores will result in the need for lower insurance limits, thereby decreasing insurance premiums.
9. Costs to transport inventory from closed stores to the warehouse is being paid directly by the shareholder. This may change beginning in July 2020 at an additional cost of approximately \$2,000 per month.
10. Professional fees include fees for the Company's legal counsel, BNS's legal counsel, the Proposal Trustee and the Proposal Trustee's legal counsel for the Period. As well, it includes the cost of monitoring the Company for BNS, the first secured creditor owed in excess of \$6.0 million.
11. The Debtor in Possession ("DIP") loan of up to \$500,000 was provided by Mr. Rick Walia, the shareholder of the Company. According to the DIP loan forecast, a DIP Loan peak of approximately \$200,000 is forecast to be reached in the week-ending May 31, 2020, and is forecast to be subsequently repaid with net cash receipts over disbursements earned from the sale of inventory in the three remaining stores. By the week-ending August 16, 2020, the DIP loan is forecast to be repaid in full.

12. Interest on the BNS outstanding loan is prime (2.45%) plus 0.25% for a total of 2.70%. The Company has not forecast payment of interest on the BNS loan during the Period.
13. As it is expected to take until at least the week-ending August 16, 2020 to repay the DIP loan, the Company has forecast repayment of the BNS loan beginning in the week-ending August 16, 2020. The Forbearance Agreement entered into by both the Company and BNS in April 2020 requires that BNS be refinanced by August 13, 2020. According to Management, efforts are being made by the Company to refinance the BNS loan in its entirety and a refinancing term sheet was received and is in the process of being negotiated.

APPENDIX "A"

APPENDIX "B"

Court File No.: 32-2634165
Estate File No.: 32-2634165

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]**

THE HONOURABLE JUSTICE KOEHNEN
WEDNESDAY, THE 22nd DAY

OF APRIL, 2020

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF 1348441 ONTARIO INC.**

ORDER

THIS MOTION, made by 1348441 Ontario Inc. o/a Solutions Your Organized Living Store (the “**Company**”) pursuant to Sections 50.4(9), 50.6 and 64.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) for an order, *inter alia*: (i) approving an extension of the time for the Company to file a proposal by forty-five (45) days until June 9, 2020; (ii) approving the DIP Facility and granting the DIP Lender’s Charge (*each as hereinafter defined*); and (iii) granting the Administration Charge (*as hereinafter defined*), was heard this day virtually by “Zoom” teleconference.

ON READING the affidavit of Gurmej Walia sworn April 17, 2020 and the exhibits thereto and the First Report of Dodick Landau Inc. in its capacity as the proposal trustee of the

- 2 -

Company (in such capacity, the “**Proposal Trustee**”), dated April 20, 2020, and the appendices thereto (the “**First Report**”), and on hearing the submissions of counsel for the Company, the Proposal Trustee, Gurmej Walia and such other counsel as were present, no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Thomas Lambert sworn April 20, 2020, filed,

SERVICE

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

EXTENSION

2. **THIS COURT ORDERS** that the time for the Company to file a proposal under section 50.4 of the BIA is extended by a period of forty-five (45) days to and including June 9, 2020.

DIP FINANCING

3. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow under a credit facility from Rick Walia (the “**DIP Lender**”) in order to finance the Company’s working capital requirements and other general corporate purposes and capital expenditures during these proceedings, provided that borrowings under such credit facility shall not exceed \$500,000, unless permitted by further Order of this Court (collectively, the “**DIP Facility**”).

- 3 -

4. **THIS COURT ORDERS THAT** the DIP Facility shall be on the terms and subject to the conditions set forth in the term sheet between the Company and the DIP Lender dated April 17, 2020 (the “**DIP Term Sheet**”).

5. **THIS COURT ORDERS** that the Company 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 the Company is hereby authorized and directed to pay and perform all of their 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.

6. **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**”) over all of the current and future assets, properties and undertakings of the Company of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the “**Property**”), as security for the borrowings under the DIP Facility, 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 12 and 14 of this Order.

7. **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;

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- (b) upon the occurrence of an event of default under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, and subject to first requesting the consent of the senior lender to the Debtor, the Bank of Nova Scotia ("BNS"), the DIP Lender, upon three (3) days' notice to the Company, the Proposal Trustee and BNS, may exercise any and all of its rights and remedies against the Company or the Property under or pursuant to the DIP Term Sheet, the Definitive Documents and the DIP Lender's Charge, including, without limitation, to cease making advances to the Company and set off and/or consolidate any amounts owing by the DIP Lender to the Company against the obligations of the Company 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 the Company and for the appointment of a trustee in bankruptcy of the Company; 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 the Company or the Property.

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

ADMINISTRATION CHARGE

9. **THIS COURT ORDERS** that counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements), in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee (for work performed in connection with these proceedings) on a weekly basis.

10. **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.

11. **THIS COURT ORDERS** that counsel to the Company, the Proposal Trustee and counsel to the Proposal Trustee 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 \$100,000, 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 12 and 14 of this Order.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

12. **THIS COURT ORDERS** that the priorities of the DIP Lender’s Charge and the Administration Charge (collectively, the “Charges”) as amongst themselves shall be as follows:

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(a) first, the Administration Charge to a maximum amount of \$100,000; and (b) second, the DIP Lender's Charge.

13. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges are and shall be valid and enforceable against the Property for all purposes, including, without limitation, 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 the Charges.

14. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and that such Charges shall rank in priority to all other security interests, trusts, liens, charges, mortgages, claims and encumbrances, secured, statutory or otherwise (collectively, "Encumbrances") in favour of any other person.

15. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not, without the consent of BNS, grant any Encumbrances over any Property that ranks in priority to, or *pari passu* with, the DIP Lender's Charge or the Administration Charge, unless the Company also obtains the prior written consent of the Proposal Trustee, the DIP Lender and the beneficiaries of the Administration Charge, or further Order of this Court.

16. **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 in these proceedings; (b) any

- 7 -

application(s) for bankruptcy order(s) issued pursuant to the 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 "Agreements") which binds the Company, and notwithstanding any provision to the contrary in any such 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 the Company 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 the Company entering into the DIP Term Sheet, the Definitive Documents, the creation of the Charges or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Company 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.

SERVICE AND NOTICE

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17. **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 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 [‘https://dodick.ca/public_documents/1348441-ontario-inc-o-a-solutions-your-organized-living-store/’](https://dodick.ca/public_documents/1348441-ontario-inc-o-a-solutions-your-organized-living-store/).

18. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Company and the Proposal Trustee are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Company’s creditors or other interested parties at their respective addresses as last shown on the records of the Company and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

19. **THIS COURT ORDERS** that the Company, the Proposal Trustee, the DIP Lender and their respective counsel are at liberty to serve or distribute this Order, any 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 the Company'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 juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

20. **THIS COURT ORDERS** that the Company and the Proposal Trustee may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

21. **THIS COURT ORDERS** that nothing in this Order shall prevent the Proposal Trustee from acting as an interim receiver, a receiver, a receiver and manager, a trustee in bankruptcy or a monitor of the Company, its business or the Property.

22. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Company, 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 Company 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 Company, the Proposal Trustee and their respective agents in carrying out the terms of this Order.

23. **THIS COURT ORDERS** that the Company and the Proposal Trustee be at liberty and are 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.

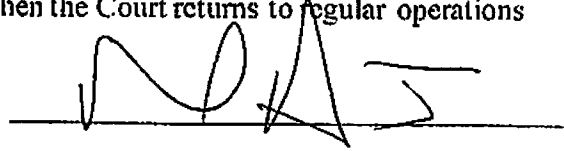
24. **THIS COURT ORDERS** that any interested party (including the Company and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as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

25. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Daylight Time on the date of this Order; provided, however, that the DIP Lender shall be entitled to rely on this Order as issued for all advances made under the DIP Term Sheet Agreement and the Definitive Documents up to and including the date on which this Order may be varied or amended.

26. **THIS COURT ORDERS** that the First Report of the Proposal Trustee dated April 20, 2020 and the conduct and activities of the Proposal Trustee described therein are hereby approved, provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

27. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this order is effective from the date that it is made, and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a

motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations

A handwritten signature in black ink, appearing to be "N. A. J.", is written over a horizontal line.

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF 1348441 ONTARIO INC.**

Court File No.: 32-2634165
Estate File No.: 32-2634165

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]**

Proceedings commenced at Toronto

ORDER
(Initial NOI Order)

LOOPSTRA NIXON LLP
135 Queens Plate Drive – Suite 600
Toronto, ON M9W 6V7

R. Graham Phoenix
Tel: (416) 478 4776
Fax: (416) 476 8319
Email: gphoenix@loonix.com

Tom Lambert
Tel: (416) 478 5145
Fax: (416) 476 8319
Email: tlambert@loonix.com

Lawyers for 1348441 Ontario Inc.

Court File Number: 32-2634165Estate File No. 32-2634165

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Re Notice of Intention to Make a Proposal of 134-8441 Ontario Inc.

Plaintiff(s)

AND

Defendant(s)

Case Management Yes No by Judge: Koehnen J.

Counsel	Telephone No:	Email/Facsimile No:
Graham Phoenix for the applicant		
S. Kour for the Proposal Trustee		
T. Hogan for the Bank of Nova Scotia		

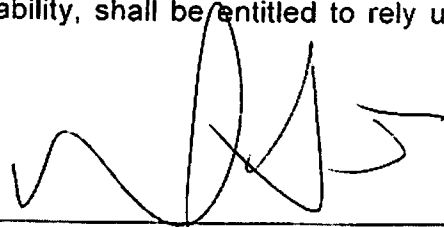
Order Direction for Registrar (No formal order need be taken out)
 Above action transferred to the Commercial List at Toronto (No formal order need be taken out)

Adjourned to: _____
 Time Table approved (as follows): _____

Date Heard: April 22, 2020

- The applicant seeks an extension of 45 days up to and including June 9, 2020 to make a proposal that to its creditors, approval of a \$500,000 DIP loan and of a \$100,000 Administration Charge.

2. The Proposal Trustee supports the relief sought. None of the creditors opposes relief the applicant seeks. The applicant has been working closely with its first ranking secured creditor, Bank of Nova Scotia, to work out a solution to its financial difficulties which have been complicated by the current Covid 19 pandemic.
3. The DIP financing is being provided by the applicant's principal shareholder. It is at 0% interest and without fees or charges. I am satisfied from the affidavit of Gurmej Walia that the DIP should be approved based on the factors set out in section 50.6 (5) of the BIA. Without the DIP the applicant will not be able to carry on business or make a proposal to its creditors. A bankruptcy in the current environment will be highly prejudicial to all creditors.
4. The proposed Administration Charge is for \$100,000. I am also satisfied from the affidavit of Gurmej Walia that the Administration Charge is appropriate. The advice to be provided by the applicant's counsel and the Proposal Trustee are essential to the applicant. The roles of each are distinct and avoid duplication. No creditors oppose the charge.
5. In addition to the foregoing, the First Report of the Proposal Trustee dated April 20, 2020 and the conduct and activities of the Proposal Trustee described therein are approved, provided, however, that only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.



Koehnen J.

April 22, 2020

APPENDIX "C"



Industry Canada
**Office of the Superintendent
of Bankruptcy Canada**

Industrie Canada
**Bureau du surintendant
des faillites Canada**

District of Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

In the Matter of the Proposal of:

1348441 Ontario Inc.
Debtor

DODICK LANDAU INC.
Licensed Insolvency Trustee

Date of Proposal:	June 09, 2020	Security:	\$
Meeting of Creditors:	June 26, 2020, 11:00 VideoConference Toronto, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

Date: June 09, 2020, 15:44

E-File/Dépôt Electronique

Official Receiver

Federal Building - Hamilton, 55 Bay Street N, 9th Floor, Hamilton, Ontario, Canada, L8R3P7, (877)376-9902

Canada

STATEMENT OF AFFAIRS

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

Original Amended

Form 78

Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the proposal of
 1348441 Ontario Inc. o/a Solutions Your Organized Living Store
 of the city of Mississauga, in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 26th day of March 2020. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A"	1. Inventory
983,778.73	6,513,426.79
Balance of secured claims as per list "B"	2. Trade fixtures, etc.
4,849,757.27	1,000,000.00
Total unsecured creditors	3. Accounts receivable and other receivables, as per list "E"
5,833,536.00	Good
2. Secured creditors as per list "B"	0.00
7,513,426.79	Doubtful
3. Preferred creditors as per list "C"	746,928.00
104,783.72	Bad
4. Contingent, trust claims or other liabilities as per list "D"	0.00
estimated to be reclaimable for	Estimated to produce
0.00	0.00
Total liabilities	4. Bills of exchange, promissory note, etc., as per list "F" ...
13,451,746.51	0.00
Surplus	5. Deposits in financial institutions
NIL	0.00
	6. Cash
	0.00
	7. Livestock
	0.00
	8. Machinery, equipment and plant
	0.00
	9. Real property or immovable as per list "G"
	0.00
	10. Furniture
	0.00
	11. RRSPs, RRIFs, life insurance, etc.
	0.00
	12. Securities (shares, bonds, debentures, etc.)
	0.00
	13. Interests under wills
	0.00
	14. Vehicles
	0.00
	15. Other property, as per list "H"
	0.00
	If debtor is a corporation, add:
	Amount of subscribed capital
	0.00
	Amount paid on capital
	0.00
	Balance subscribed and unpaid
	0.00
	Estimated to produce
	0.00
	Total assets
	7,513,426.79
	Deficiency
	5,938,319.72

I, Gurmej Walia, of the city of Brampton in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 9th day of June 2020 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the city of Toronto in the Province of Ontario, on this 9th day of June 2020.



R. Graham Phoenix,
 A commissioner for taking affidavits, etc.



Gurmej Walia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 - Continued

List "A"
 Unsecured Creditors

1348441 Ontario Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	3M CANADA CO	2752 Peddie Street Milton ON L9T 0K1 CAN	24,728.92	0.00	24,728.92
2	407 EXPRESS TOLL	6300 Steeles Ave W Woodbridge ON L4H 1J1	762.71	0.00	762.71
3	ABERDEEN PLASTICS INC	...	13,205.30	0.00	13,205.30
4	ALECTRA UTILITIES	2185 Derry Rd W MISSISSAUGA ON L5N 7A6	4,565.67	0.00	4,565.67
5	Alharazi, B. 2684	306-325 Bloorcker S Toronto ON M4X 1M7	22.41	0.00	22.41
6	ALLIANCE MERCANTILE IN	35 West Pearce St #25, Richmond Hill ON L4B 3A9	3,118.05	0.00	3,118.05
7	BALLOUBE INC	12146 County Road 4233 W Cushing TX 75760 USA	5,113.48	0.00	5,113.48
8	BELL CANADA	ST. DON MILLS North York ON M3C 2X7	1,564.76	0.00	1,564.76
9	BETTER HOUSEWARE	25-12 41 Avenue Long Island City NY 11101 USA	14,028.40	0.00	14,028.40
10	BETTER LIVING OF CANADA	201 CHRISLEA ROAD VAUGHAN ON L4L 8N6 CAN	4,185.07	0.00	4,185.07
11	BRADSHAW CANADA HOL	198 ZENWAY BLVD UNIT-3 WOODBIDGE, ON L4H 0L6 CAN	13,010.88	0.00	13,010.88
12	BUDDEEZ INC.	1106 CROSSWINDS COURT WENTZVILLE, MO 63385 USA	11,803.81	0.00	11,803.81
13	Canada Border Services Agency - Bonds Attn: Guy Joly	10th Floor 219 Laurier Avenue West Ottawa ON K1A 0L8	18,593.47	0.00	18,593.47
14	CITY OF KITCHENER 110189450	200 KING ST WEST, BOX 1113 KITCHENER ON N2G 4R6	753.19	0.00	753.19
15	Coface North America Insurance Company Richards Homewares Inc.	650 College Road East, Suite 2005 Princeton NJ 08540 USA	31,547.80	0.00	31,547.80
16	Compagnie Francaise D'Assurance Pour Exterievre Canada HAMELIN ENTERPRISES	650 College Road East, Suite 2005 Princeton NJ 08540 USA	7,331.14	0.00	7,331.14
17	Compagnie Francis D'Assurance Pour Eterievre Canada MLM HOME PRODUCTS	650 College Drive East, Suite 2005 Princeton NJ 08520 USA	520.15	0.00	520.15
18	Compagnie Francaise D'Assurance Pour Exterievre Canada Branch Lifetime Brands Canada	650 College Road East, Suite 2005 Princeton NJ 08540 USA	3,499.32	0.00	3,499.32
19	CONNOISSEURS	9880 CLARK STREET#300 MONTREAL, QC H3L 2R3 CAN	3,038.51	0.00	3,038.51
20	CORELLE BRANDS (CANADA)	12000 Molly Pitcher Highway South Greencastle PA 17225 USA	3,646.56	0.00	3,646.56
21	Corporation of the City of Kitchener Attn: Collection Department	City Hall 200 King Street West, PO Box 91113 Kitchener ON N2G 4G7	245.10	0.00	245.10
22	CRA - Tax - Ontario 868143025RC:0001	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9	250.00	0.00	250.00

09-Jun-2020

Date



Gurmej Wallia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
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FORM 78 -- Continued

List "A"
 Unsecured Creditors

1348441 Ontario Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
23	CRA - Tax - Ontario 868143025RT0001	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9	34,927.83	0.00	34,927.83
24	CUTLER FOREST PRODUCTS	81 ROYAL GROUP CRSCENT unit A VAUGHAN, ON L4H 1X9 CAN	1,590.93	0.00	1,590.93
25	DANESCO INC.	18111 TRANS-CANADA KIRKLAND, QC H9J 3K1 CAN	87,668.44	0.00	87,668.44
26	DAVID SHAW	85 MARTIN ROSS AVENUE Toronto ON M3J 2L5	3,076.60	0.00	3,076.60
27	Davidson, D. 1659	41 Bailey Cresc BS Aurora ON L4G 2B2	301.88	0.00	301.88
28	DBEST PRODUCTS INC	425 15th STREET MANHATTAN BEACH CA 90266 USA	5,916.00	0.00	5,916.00
29	DELMAR INTERNATIONALS	6399 Canlay Rd Mississauga ON L5R 0G4	15,228.56	0.00	15,228.56
30	DIAL INDUSTRIES	3628 NOAKES ST Los Angeles CA 90023 USA	6,777.65	0.00	6,777.65
31	Dirigon, R. 2433	97 Sheppard E Toronto ON M2N 3A3	25.78	0.00	25.78
32	DV INTERNATIONAL INC.	1000 UNIVERSITY AVENUE, Suite 220 St. Paul MN 55104 USA	25,460.00	0.00	25,460.00
33	ENBRIDGE GAS	STN A TORONTO ON M5W 0G2	642.70	0.00	642.70
34	ERA WARE	2500 RUE GUENETTE ST.LAURENT QC H4R 2H2 CAN	969.55	0.00	969.55
35	FAIL SAFE SECURITY	7289 Magistrate Terrace Mississauga ON L5W 1H8	1,346.78	0.00	1,346.78
36	Faisal, M. 2646	4288 Trailmaster Dr Mississauga ON L5V 3C4	1.00	0.00	1.00
37	FOX RUN BRANDS	460 Applewood Crescent, Unit 2 VAUGHAN ON L4K 4Z3 CAN	10,565.44	0.00	10,565.44
38	Galdos Suarez, E. 1984	...	23.65	0.00	23.65
39	GHP GROUP, ULC	271 MASSEY ROAD GUELPH ON N1K 1B2 CAN	15,087.76	0.00	15,087.76
40	Gibert's LLP Attr: Vik Tenekjian	77 King Street West, Suite 2010, PO Box 301, TD Centre Toronto ON M5K 1K2	84,516.24	0.00	84,516.24
41	GRACIOUS LIVING	7200 MARTIN GROVE ROAD WOODBRIIDGE ON L4L 9J3	30,342.20	0.00	30,342.20
42	GURMEJ WALIA	...	0.00	4,849,757.27	4,849,757.27
43	HOME PRODUCTS INTL	5151 THIMENS BLVD ST.LAURENT QC H4R 2C8 CAN	10,820.05	0.00	10,820.05
44	HONEY-CAN-DO INTERNATIONAL Attr: Mike Spaeth 108720	5300 St. Charles Road Berkeley IL 60163 USA	3,099.14	0.00	3,099.14

09-Jun-2020

Date

Gurmej Walia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
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FORM 78 -- Continued

List "A"
 Unsecured Creditors

1318441 Ontario Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
45	HURONIA ALARM	233 MIDLAND AVE MIDLAND ON L4R 3K1	195.49	0.00	195.49
46	INTERDESIGN INC.	30725 Solon Industrial Parkway Solon OH 44139-0600 USA	66,915.58	0.00	66,915.58
47	IRIS USA INC	11111 80th Ave Pleasant Prairie WI 53158 USA	69,376.12	0.00	69,376.12
48	Jacob Shapiro Your client Jacob Shapiro	c/o Kastner Lam LLP 55 University Avenue, Ste. 1800 Toronto ON M5J 2H7	1.00	0.00	1.00
49	JASCORS HOUSEWARE INC	81A BRUNSWICK BLVD DOLLARD-DES-ORMEAUX QC H9B 2J5 CAN	561.38	0.00	561.38
50	JOKARIUS INC	585 ALPHA DRIVE PITTSBURGH PA 15238 USA	4,395.59	0.00	4,395.59
51	K6 MEDIA DESIGNS	5515 CANOTEK, UNIT 8 OTTAWA ON K1J 9K9	1,008.11	0.00	1,008.11
52	KIKKERLAND DESIGN INC	4269 POSTAL STATION Toronto ON M5W 5V2 CAN	10,957.10	0.00	10,957.10
53	KITRICH CORPORATION	1585 W.MISSION BLVD POMONA CA 91766 USA	12,459.80	0.00	12,459.80
54	KNAPE & VOGT MANUFACTURING	2700 Oak Industrial Dr. Grand Rapids MI 49505-6026 USA	15,917.48	0.00	15,917.48
55	Lee, P. 1841	139 Pemberton Aven Toronto ON M2M 1Y6	197.16	0.00	197.16
56	LONDON HYDRO BILLING	111 HORTON STREET LONDON ON N6A 4J8	1,659.21	0.00	1,659.21
57	LUG CANADA	1351 RODICK ROAD, UNIT #1 MARKHAM ON L3R 5K4 CAN	427.71	0.00	427.71
58	MCB GLOBAL(NIAGARA)IN	231 DOANS RIDGE ROAD Wolland ON L3B 5N4 CAN	15,757.80	0.00	15,757.80
59	METROPOLITAN WIRE	3160 ORLANDO DRIVE MISSISSAUGA ON L4V 1R5 CAN	7,279.43	0.00	7,279.43
60	Milligan, S. 2494	163 Blackcross Blvd London ON N6G 2H1	213.40	0.00	213.40
61	MSC INTERNATIONAL	6700 THIMENS MONTREAL QC H4S 1S5 CAN	6,087.22	0.00	6,087.22
62	NEATFREAK GROUP INC	5320 Timberlea Blvd MISSISSAUGA ON L4W 2S6 CAN	6,542.85	0.00	6,542.85
63	New Best Truck Repair & Tire Ltd.	1136 Matheson Blvd. E. Mississauga ON L4W 2V4	2,432.50	0.00	2,432.50
64	Nitmini, A. 905	18 Annabelle Drive Etobicoke ON M9V 3B6	1,241.47	0.00	1,241.47
65	OAKVILLE HYDRO	861 REDWOOD SQUARE OAKVILLE ON L6K 0C7	1,607.15	0.00	1,607.15
66	ORBIS CANADA	340 College St Suite 375 Toronto ON M5T 3A9 CAN	1,733.36	0.00	1,733.36
67	PERFECT CURVE INC	137 SOUTH STREET Boston MA 02111 USA	4,886.79	0.00	4,886.79
68	Phillips, T. 9927		868.32	0.00	868.32

09-Jun-2020

Date

Gurpreet Walia

District of: Ontario
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FORM 78 -- Continued

List "A"
 Unsecured Creditors

1348441 Ontario Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
69	POLDER PRODUCTS INC	195 Christian St Oxford CT 06478 USA	15,612.67	0.00	15,612.67
70	PRODUCT SPECIALTIES IN	10 CARLOW COURT, UNIT 6 WHITBY ON L1N 9T7	6,163.82	0.00	6,163.82
71	REALLY USEFUL BOXES IN	2791 KATHERINE WAY, ELK GROVE VILLAGE IL 60007 USA	9,496.43	0.00	9,496.43
72	Rezvan Del Ramzi, F. 2111	5793 Yonge St., #201 Toronto ON M2M 0A9	18.16	0.00	18.16
73	ROGERS	P.O. Box 9100 TORONTO ON M3C 3P9	435.15	0.00	435.15
74	SIMPLEHUMAN CANADA	..	16,718.24	0.00	16,718.24
75	SPECTRUM DIVERSIFIED D	675 Mondial Pkwy Streetsboro CA 44241 USA	76,258.91	0.00	76,258.91
76	THE ONEIDA GROUP	519 NORTH PIERCE AVENUE LANCASTER OH 43130 USA	6,034.55	0.00	6,034.55
77	TRAVELON Attn: Suzanne Dziedluc	11333 Addison Avenue, Unit 200 Franklin Park IL 60131 USA	7,527.79	0.00	7,527.79
78	TRUDEAU CORP	1600 EIFFEL ROAD BOUCHERVILLE QC J4B 5Y1	4,962.96	0.00	4,962.96
79	UPPER CANADA SOAP	5875 CHEDWORTH WAY MISSISSAUGA ON L5R 3L9	9,824.11	0.00	9,824.11
80	VANCOUVER CLASSIC	180-12340 HORSESHOE WAY RICHIMOND BC V7A 4Z1	43,561.48	0.00	43,561.48
81	W.J. HAGERTY & SONS, LT	3801 LINDEN AVENUE SOUTH BEND IN 46619 USA	17,068.50	0.00	17,068.50
82	WASTE CONNECTIONS OF CANADA	650 CREDITSTONE ROAD CONCORD ON L4K 5C8	1,143.37	0.00	1,143.37
83	WESTSTAR PRINTING LIMITED	10 NORTH QUEEN STREET ETOBICOKE ON MBZ 2C4	736.76	0.00	736.76
84	WHITMOR INC.	8680 SWINNEA ROAD, D STE 103 SOUTHHAVEN MS 38671 USA	19,694.80	0.00	19,694.80
85	WINSOME TRADING INC	108-8116 ALEXANDER ROAD DELTA BC V4G 1C6	8,729.25	0.00	8,729.25
86	WORLDWIDE HOMEFURNI	200 ROMINA DRIVE CONCORD ON L4K 4Z7	1,130.00	0.00	1,130.00
87	Zarate, D. 6012	..	2,016.88	0.00	2,016.88
Total:			983,778.73	4,849,757.27	5,833,536.00

09-Jun-2020

Date


 Gurmej Walia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
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FORM 78 - Continued

List "B"
 Secured Creditors

1348441 Ontario Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	CRA - Tax - Ontario 868143025RP0001	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Rd Shawinigan-Sud QC G9P 5H9	23,347.79	Business Assets - Stock In Trade - Inventory Business Assets - Trade Fixtures - Trade Fixtures, etc. Debts Due - Business - Accounts Receivable	01-Mar-2020 01-Mar-2020 01-Mar-2020	23,347.79 0.00 0.00		
2	GURMEJ WALIA	...	6,334,754.60	Business Assets - Trade Fixtures - Trade Fixtures, etc. Business Assets - Stock In Trade - Inventory Debts Due - Business - Accounts Receivable	01-Mar-2020 01-Mar-2020 01-Mar-2020	1,000,000.00 484,997.33 0.00		4,849,757.27
3	The Bank of Nova Scotia 47696000XX7701	4715 Tahoe Boulevard Mississauga ON L4W 0B4	5,430,384.94	Business Assets - Stock In Trade - Inventory Business Assets - Trade Fixtures - Trade Fixtures, etc. Debts Due - Business - Accounts Receivable	02-Aug-2018 02-Aug-2018 02-Aug-2018	5,430,384.94 0.00 0.00		
4	The Bank of Nova Scotia 47696000XX7702	4715 Tahoe Boulevard Mississauga ON L4W 0B4	550,254.18	Business Assets - Stock In Trade - Inventory Business Assets - Trade Fixtures - Trade Fixtures, etc. Debts Due - Business - Accounts Receivable	02-Aug-2018 02-Aug-2018 02-Aug-2018	550,254.18 0.00 0.00		
5	The Bank of Nova Scotia 4769602XX716	4715 Tahoe Boulevard Mississauga ON L4W 0B4	23,434.27	Business Assets - Stock In Trade - Inventory Business Assets - Trade Fixtures - Trade Fixtures, etc. Debts Due - Business - Accounts Receivable	02-Aug-2018 02-Aug-2018 02-Aug-2018	23,434.27 0.00 0.00		
6	The Bank of Nova Scotia 47696222XX511	4715 Tahoe Boulevard Mississauga ON L4W 0B4	1,008.28	Business Assets - Stock In Trade - Inventory Business Assets - Trade Fixtures - Trade Fixtures, etc. Debts Due - Business - Accounts Receivable	02-Aug-2018 02-Aug-2018 02-Aug-2018	1,008.28 0.00 0.00		
Total:			12,363,184.06			7,513,426.79	0.00	4,849,757.27

09-Jun-2020

Date


 Gurmej Walia

District of: Ontario
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FORM 78 - Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
1	Ahmed, D. 2570	176 Felix Road Richmond Hill ON L4C 3M9		-	141.73	0.00	141.73
2	Al-Khaffaf, A. 2371	623-790 Springland Ottawa ON K1V 6L7		-	1,181.25	0.00	1,181.25
3	Altamimi, O. 2660	641 Fathergill Blv Burlington ON L7L 6E3		-	126.42	0.00	126.42
4	Ameni, N. 2376	19 Root Cres Ajax ON L1T 4J8		-	384.17	0.00	384.17
5	Ardroudi, R. 2647	235 Raysnow Blvd New Market ON L3X 3J1		-	431.26	0.00	431.26
6	Bedneau, K. S. 1924	6737 Bansbridge Crs Mississauga ON L5N 6T4		-	1,111.94	0.00	1,111.94
7	Belair, J. 2667	33 Jackman Ave Toronto ON M4K 2X5		-	648.03	0.00	648.03
8	Bellefeuille, M. 2465	1005 Rue Laurier Rockland ON K4K 1T7		-	517.70	0.00	517.70
9	Bernal, M. 2485	...		-	493.84	0.00	493.84
10	Biaty, N. 2375	11 Aibery Cres Ajax ON L1S 2Y2		-	713.11	0.00	713.11
11	Blight J. L. 2606	200 Willow Lane 200 Willow Lane ON L3Y 6R8		-	399.17	0.00	399.17
12	Bopara, P. 2277	7014 Lessard Lane Mississauga ON L5W 1A4		-	833.41	0.00	833.41
13	Bowes, O. 2516	304-300 Southdale Rd. E. London ON N6E 1V9		-	1,358.29	0.00	1,358.29
14	Browning, C. 2389	...		-	2.24	0.00	2.24
15	Brun FaustoCsorda, A. 2405	5414 Sheldon Park Burlington ON L7L 5X3		-	323.92	0.00	323.92
16	Brunet, L. 268	183 Rue Arthur Gatineau QC J9H 7T8		-	1,828.69	0.00	1,828.69
17	Buenaventura, M 2481	PH 02-65 Oneida Cr Richmond Hill ON L4B 0G9		-	33.18	0.00	33.18
18	Carrique N. 2598	61 Falling Brook D Barrie ON L4N 7E8		-	181.14	0.00	181.14
19	Chahal, S. 2467	7 Adler Drive Cambridge ON N3C 4J9		-	42.04	0.00	42.04

09-Jun-2020

Date


 Gurneet Singh

District of: Ontario
 Division No. 09 - Mississauga
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FORM 78 - Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
20	Chaisson S. 2514	44 Arthur Fach Dr Cambridge ON N1T 2G5		-	838.06	0.00	838.06
21	Chaisson, A. 2682	44 Arther Fach Cambridge ON N1T 2G5		-	82.16	0.00	82.16
22	Chambers, C. 2317	58 Ridley Blvd. Toronto ON M5M 3L4		-	957.79	0.00	957.79
23	Champs, A. 1679	24 Wheatsheaf St Richmond Hill ON L4E 5B7		-	14.55	0.00	14.55
24	Chapman, C. 2562	55 Churchland Dr Barrie ON L4M 8P9		-	299.11	0.00	299.11
25	Charbonneau, J. 2239	54 Plowman Drive Ajax ON L1S 6R9		-	14.85	0.00	14.85
26	Chaler E. 2620	52 Redwood Dr Cambridge ON N5C 2S4		-	319.63	0.00	319.63
27	Cheung, O. 2431	716 Shool Point Rd Ajax ON L1S 7P6		-	944.94	0.00	944.94
28	Chung B. 2617	...		-	93.42	0.00	93.42
29	Coghlan, K. 2599	66 Old Mill Rd. Cambridge ON N3H 4R8		-	1,349.27	0.00	1,349.27
30	Cole, B. 2183	136 Riveredge Dr. Georgina ON L4P 2P3		-	757.85	0.00	757.85
31	Crowley, A. 2364	846 McKay Cres. Milton ON L9T 6L2		-	930.79	0.00	930.79
32	Cukier, D. 2674	10 Action Ave Toronto ON M3H 4G7		-	384.49	0.00	384.49
33	Curtis, J. 2672	202-89 Isabella Street Toronto ON M4Y 1N8		-	745.09	0.00	745.09
34	Davidson, D. 1659	41 Bailey Cresc. BS Aurora ON L4G 2B2		-	2,000.00	0.00	2,000.00
35	Davoodi, A. 2479	170 Less Avenue Ottawa ON K1S 5G5		-	465.31	0.00	465.31
36	De Paula Vamashita, J. 2470	2509-565 Sherbourne Street Toronto ON M4X 1W7		-	78.88	0.00	78.88
37	Demedeiros, S. 2548	1006-7730 Kipling Ave Woodbridge ON L4M 1Y9		-	1,913.45	0.00	1,913.45
38	Derbyshire, L. 2685	...		-	65.20	0.00	65.20

09-Jun-2020

Date



Gurnej Walia

District of: Ontario
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FORM 78 -- Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
39	Desrochers, M. 2681	25 Lorne Ave New Market ON L3Y 5N8		-	346.51	0.00	346.51
40	Doyle, V. 2501	109 Grand Ave Apt. London ON N6C 1L9		-	1,197.52	0.00	1,197.52
41	Durigon, R. 2433	97 Sheppard E Toronto ON M2N 3A3		-	2,000.00	0.00	2,000.00
42	Ene, L. 262	605-305 Presland R Ottawa ON K1K 4C6		-	1,735.65	0.00	1,735.65
43	Enlari, Y. 2096	2583 Yonge Street Toronto ON M4P 2J1		-	1,069.71	0.00	1,069.71
44	Ennis, R. 2181	31 Tesco court Richmond Hill ON L4B 3H8		-	1,121.73	0.00	1,121.73
45	Feroze, K. 2628	150 Mill Street Richmond Hill ON L4C 4A9		-	1,190.04	0.00	1,190.04
46	Francisco, J. 2686	58 Howe Dr Unit 11 Kitchener ON N2E 0G4		-	295.07	0.00	295.07
47	Fraser, I. 2352	201-1535 Alta Vist Ottawa ON K1G 3N9		-	1,863.57	0.00	1,863.57
48	Fry, D. 2177	26 Windsor Ave Ajax ON L1S 2A9		-	2,167.40	0.00	2,167.40
49	Galdos Suarez, E. 1984	...		-	2,000.00	0.00	2,000.00
50	Garnett, E. 6983	29 Marchington Circle Scarborough ON M1R 3M6		-	1,598.82	0.00	1,598.82
51	Gonzalvo, L. 1661	503-1525 Alta Vist Ottawa ON K1G 3N9		-	102.62	0.00	102.62
52	Gnod, D.	...		-	52.98	0.00	52.98
53	Gul, A. 2668	10 Chester Dr., # 33 Cambridge ON N1T 0C8		-	43.98	0.00	43.98
54	Hancock, J. 2484	14 Cottonwood Dr. St. Thomas ON N5P 4M4		-	93.20	0.00	93.20
55	Hancock, P. 2223	3-24 Cynthia Street London ON N6C 3G3		-	471.94	0.00	471.94
56	Hernandez, J. 2629	652 Royal Fern St Waterloo ON N2V 2P6		-	291.83	0.00	291.83
57	Hill, A.	...		-	32.96	0.00	32.96

09-Jun-2020

Date

Gurtej Grewal

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
58	Iqbal, S. 2449	12 Rossini Dr Richmond Hill ON L4E 0R6		-	167.80	0.00	167.80
59	Jennings-Fitz-Gerald, E. 2550	188 Redpath Ave #67 Toronto ON M4P 3J2		-	437.96	0.00	437.96
60	Johnstone, C. 2616	6 Corley Cr Barrie ON L4N 0N8		-	804.64	0.00	804.64
61	Jones, A. 2262	5-3575 Downpatrick Rd Ottawa ON K1V 8T3		-	1,803.79	0.00	1,803.79
62	Kambo, A. 2643	16 Rellingwood Dr Brampton ON L6Y 4G5		-	721.00	0.00	721.00
63	Kapil, S. 2545	3144 Velmar Dr Mississauga ON L5M 6V8		-	1,395.23	0.00	1,395.23
64	Karimi Abdolrezaei, V. 2583	13 Zenyatta Lane East Gwillimbury ON L9N 0N7		-	798.38	0.00	798.38
65	Kashan, U. 2673	1340 Farmload Dr Milton ON L9E 1K9		-	60.75	0.00	60.75
66	Kausar, F. 2296	1001 Cedarglen Gate, #204 Mississauga ON L5C 4R2		-	1,249.93	0.00	1,249.93
67	Khan F. 2645	...		-	134.81	0.00	134.81
68	Khan, S. 2180	6945 Lisgar Dr. Mississauga ON L5N 6V7		-	554.60	0.00	554.60
69	Khan, Z. 2663	601 Branderiburg B Waterloo ON A2T 2V3		-	326.96	0.00	326.96
70	Knowles, J. 1500	200 Centre St N Oshawa ON L1G 4C5		-	1,637.54	0.00	1,637.54
71	Kousha Madhvi, Z. 2174	5793 Yonge St., #201 Toronto ON M2M 0A9		-	89.64	0.00	89.64
72	Kumar, D. 2515	20 Kirk Drive Brampton ON L6X 4C5		-	623.52	0.00	623.52
73	Laing, K. 2637	963 Prosperity Cr London ON N5V 5C7		-	99.68	0.00	99.68
74	Lam, M. 2619	...		-	174.07	0.00	174.07
75	Lariviere, C. 2400	1594 Abbey Road Ottawa ON K1G 0H3		-	433.35	0.00	433.35
76	Lawrance, N. 2630	48 Weymouth Road Barrie ON L4M 6R8		-	799.75	0.00	799.75

09-Jun-2020

Date



Gurmeet Singh

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
77	Lee, P. 1841	139 Pemberton Aven Toronto ON M2M 1Y6		-	2,000.00	0.00	2,000.00
78	Lee, SH. 2118	41 Far Niente Street Richmond Hill ON L4B 3T6		-	512.42	0.00	512.42
79	Linares, M. 9459	3410 Clayton Road Mississauga ON L5L 4Z3		-	809.84	0.00	809.84
80	Macphee, M. 2202	35 Todd st. Cambridge ON N1R 1G0		-	534.26	0.00	534.26
81	Marickathan, G. 2627	17 Castle Ave Scarborough ON M1R 2B9		-	258.11	0.00	258.11
82	Marsh, M. 2568	14 Emhwood Ave Cambridge ON N1R 4X8		-	477.94	0.00	477.94
83	Martin, B. 2621	1001-15 Lena Cr Cambridge ON N1R 0A6		-	122.14	0.00	122.14
84	Martz, K. 9948	96 Wadsworth Cresc Cambridge ON N1S 5A3		-	633.85	0.00	633.85
85	Mcinerney, A. 2604	1950 Westlana Rd Ottawa ON K1H 5J6		-	198.55	0.00	198.55
86	Menard, S. 1696	9 Natasha Way Markham ON L3R 5P6		-	525.39	0.00	525.39
87	Miesch M. 2591	440 Tyler Cr Burlington ON L7L 6J8		-	212.40	0.00	212.40
88	Milligan, S. 2494	163 Blackcres Blvd London ON N6G 2H1		-	2,000.00	0.00	2,000.00
89	Mistry B. 2584	169 Robert Parkinsn Dr Brampton ON L7A 4H6		-	791.56	0.00	791.56
90	Mitchell, O. 1989	...		-	1,489.93	0.00	1,489.93
91	Mizzi, D. 875	13 Prince Crescent Brampton ON L7A 2C8		-	1,563.26	0.00	1,563.26
92	Muhawenimana, D. 2335	...		-	1,230.25	0.00	1,230.25
93	Muhreja, D. 510	6656 Mockingbird Lanes Mississauga ON L5N 5J9		-	1,086.68	0.00	1,086.68
94	Nasir, S. 2179	710 Spanish Moss Trail Mississauga ON L5W 1E6		-	379.68	0.00	379.68
95	Nozim, S. 2558	6 Ealtham Cr Richmond Hill ON L4B 1Z2		-	28.00	0.00	28.00

09-Jun-2020

Date


 Gurnej Waiba

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued


List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
96	Nikolov, A. 2582	Bsmt - 9 Grant St. Toronto ON M4M 2H4		-	370.34	0.00	370.34
97	Nikmini, A. 905	18 Annabelle Drive Etobicoke ON M9V 3B6		-	2,000.00	0.00	2,000.00
98	Noel, J. 2683	...		-	138.63	0.00	138.63
99	Nowell L. 2657	188 Arrowhead Cres Kitchener ON N2P 1B9		-	300.72	0.00	300.72
100	Obal, Z. 2263	216E Plains, #201 Burlington ON L7T 4L3		-	159.84	0.00	159.84
101	Oelker, M. 2642	145 Lansdowne Ave Toronto ON M6K 2W1		-	720.99	0.00	720.99
102	Papeo, M. 2551	36 Mayvale Cr Richmond Hill ON L4C 6P8		-	35.84	0.00	35.84
103	Parker, M. 2402	121 York Rd Guelph ON N1E 3E7		-	412.81	0.00	412.81
104	Patel, K. 2632	76 Pandora Circle Toronto ON M1H 1V7		-	1,029.40	0.00	1,029.40
105	Phillips, T. 9927	...		-	2,000.00	0.00	2,000.00
106	Photopoulos, L. 2596	50 Inverloch Blvd, #202 Thornhill ON L3T 4T6		-	254.83	0.00	254.83
107	Pierre, E. 2641	...		-	331.77	0.00	331.77
108	Powell, T. 9891	1006-53 Water St N Kitchener ON N2H 5A7		-	801.18	0.00	801.18
109	Qureshi, T. 2502	38 Roseville Dr Brampton ON L6Y 2G8		-	533.99	0.00	533.99
110	Randhwa, K. 2633	123 Cinnamon Fern Waterloo ON N2V 0E9		-	247.34	0.00	247.34
111	Rawjani, F. 2076	5907 Rayshaw Cres Mississauga ON L5M 2P1		-	798.75	0.00	798.75
112	Razaean, P. 2363	23 Parker Avenue Richmond Hill ON L4E 2X3		-	233.33	0.00	233.33
113	Redix, M. 2474	306 Belsize Dr Toronto ON M4S 1M8		-	1,470.87	0.00	1,470.87
114	Reid, C. 2669	804 Clark Blvd., #212 Brampton ON L6T 2E8		-	684.46	0.00	684.46

09-Jun-2020

Date



Gurpreet Wania

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
115	Rezvan Del Ramzi, F. 2111	5793 Yonge St., #201 Toronto ON M2M 0A9		-	2,000.00	0.00	2,000.00
116	Ribeiro Coutinho, R. 2549	1811-411 Duplex Ave Toronto ON M4R 1V2		-	191.92	0.00	191.92
117	Roglev, D. 272	170 Lees Avenue, #1505 Ottawa ON K1S 5G5		-	969.42	0.00	969.42
118	Romanescu, H. 2595	508 Salem Road Barrie ON L9J 0C9		-	955.25	0.00	955.25
119	Rosenberg, M. 2384	333 Glengrove Ave Toronto ON M5N 1W4		-	84.37	0.00	84.37
120	Salema, J. 2662	2085 Courtland Cr Mississauga ON L4Y 1V1		-	390.84	0.00	390.84
121	Salinas, G. 2039	5603 Taw Ave Mississauga ON L5V 1W4		-	320.96	0.00	320.96
122	Saman, B. 2489	686 Gypsy Fly Cr Mississauga ON L5W 1H6		-	821.16	0.00	821.16
123	Sanford, N. 2532	326 Homestead Dr Oshwa ON L1J 6V1		-	306.57	0.00	306.57
124	Sayarrezvan, L. 2541	153 Nahanni Dr Richmond Hill ON L4B 4L6		-	268.51	0.00	268.51
125	Serageldin M. 2665	B 742 Walter St Cambridge ON N3H 4P3		-	93.99	0.00	93.99
126	Seymour L. 2635	...		-	249.52	0.00	249.52
127	Shaid, M.	...		-	471.73	0.00	471.73
128	Shao, W. 2653	407 Ravineview Way Oakville ON L6H 6S7		-	913.12	0.00	913.12
129	Shapiro, J. 796	8 Topham Crescent Richmond Hill ON L4C 9G2		-	1,386.29	0.00	1,386.29
130	Shaya M. 2166	5793 Yonge St., #201 Toronto ON M2M 0A9		-	217.66	0.00	217.66
131	Shemoun, J. 2518	24 Shale Crs Maple ON L6A 0Z3		-	23.06	0.00	23.06
132	Singh G. 2313	9 Fountainview Way Brampton ON L6S 6K3		-	933.01	0.00	933.01
133	Singh, J. 539	1901 Martin Grove, #620 Etobicoke ON M9V 3T1		-	354.30	0.00	354.30

09-Jun-2020

Date

Gurmeet Wala

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
134	Smith, S. 2648	34 Taylor Dr Barrie ON L4N 8K6		-	143.43	0.00	143.43
135	Snider, E. 2597	37 Falling Brook Dr Barrie ON L4N 4E4		-	196.87	0.00	196.87
136	Snider, S. 2614	31 Kingham Ave Ajax ON L1Z 1M9		-	181.17	0.00	181.17
137	Stewart, J. 1723	95 Pittmann Cres Ajax ON L1S 3G6		-	1,467.16	0.00	1,467.16
138	Taylor, R. 2360	1110-3000 Yonge St Toronto ON M4N 2K5		-	634.11	0.00	634.11
139	Thompson, A. 9553	66 Patrick Drive Whitby ON L1R 2L3		-	215.88	0.00	215.88
140	Thompson, K. 2319	Unit 48-350 Dundas Cambridge ON N1T 0C9		-	1,270.43	0.00	1,270.43
141	Thy, T. 2265	1036 Galesway Blvd Mississauga ON L5V 2T3		-	146.22	0.00	146.22
142	Trivedi, N. 1940	98 Formosa Dr Richmond Hill ON L4S 1T1		-	34.23	0.00	34.23
143	Uppal Saima K 2011	...		-	502.76	0.00	502.76
144	Venkatesan, G. 2676	...		-	60.25	0.00	60.25
145	Vergara, I. 2359	33 Leah Crescent Ajax ON L1T 3J2		-	477.54	0.00	477.54
146	Vickery, J. 2618	2895 Bathurst St., #511 Toronto ON M6B 3A8		-	88.76	0.00	88.76
147	Wadera, P. 3005	48 Lavallee Crest Brampton ON L6X 3A2		-	1,045.66	0.00	1,045.66
148	Wafia S. 2623	3067 Janice Dr Oakville ON L6M 0S9		-	206.97	0.00	206.97
149	Wilcox, S. 2649	377 Grandview Ave London ON NGK 2T1		-	79.97	0.00	79.97
150	Wolczyk, R. 2238	40 Pellard Cres Ajax ON L1T 3N8		-	667.37	0.00	667.37
151	Yao, K. 9937	111 Inverlochy Blvd., #502 Thornhill ON L3T 3R7		-	500.90	0.00	500.90
152	Yazdanpanah, Z. 2586	21-370 Riddle Crt Newmarket ON L3Y 8M8		-	272.61	0.00	272.61

09-Jun-2020

Date



Gurnej Wadia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued

List "C"
 Preferred Creditors for Wages, Rent, etc.

1348441 Ontario Inc.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
153	Younus, M. 2510	1318 Chee Chee Landing Milton ON L9E 1L2		-	2,476.95	0.00	2,476.95
154	Zarate, D. 6012	...		-	2,000.00	0.00	2,000.00
155	Zechmanis, G. 2661	215 Sandwell Dr Oakville ON L6L 4P3		-	788.11	0.00	788.11
Total:					104,783.72	0.00	104,783.72

09-Jun-2020

Date


 Gurprej Wallia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 - Continued

List "D"
 Contingent or Other Liabilities

1348441 Ontario Inc.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

09-Jun-2020

Date



Gurpreet Walia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 -- Continued

List "E"
 Debts Due to the Debtor
 1348441 Ontario Inc.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Accounts Receivable		Account Receivable	0.00 746,928.00 0.00		01-Jan-2020	0.00	
Total:				0.00 746,928.00 0.00			0.00	

09-Jun-2020

Date


 Gurnaj Waha

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

FORM 78 - Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

1348441 Ontario Inc.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

09-Jun-2020

Date

b



Gurni Wella

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 – Continued

List "G"
 Real Property or Immovables Owned by Debtor
 1348441 Ontario Inc.

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

09-Jun-2020

Date


 Gurpreet Walia

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 78 - Concluded

List "H"
 Property

1348441 Ontario Inc.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade		Inventory	0.00	6,513,426.79
(b) Trade fixtures, etc.		Trade Fixtures, etc.	0.00	1,000,000.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
			Total:	7,513,426.79

09-Jun-2020

Date


 Gurneej Walia

Court No. 32-2634165

Estate No. 32-2634165

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized
Living Store
of the city of Mississauga, in the Province of Ontario

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

Dodick Landau Inc. - Licensed Insolvency Trustee

4646 Dufferin St., Suite 6
Toronto ON M3H 5S4
Phone: (416) 736-4357 Fax: (416) 649-7725

PROOF OF CLAIM WITH INSTRUCTIONS

Dodick Landau Inc.
 4646 Dufferin St., Suite 6
 Toronto ON M3H 5S4
 Phone: (416) 645-0542 Fax: (416) 649-7725
 E-mail: brenda.mcknight@dodick.ca

District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

FORM 31
 Proof of Claim
 (Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),
 and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the proposal of
 1348441 Ontario Inc. o/a Solutions Your Organized Living Store
 of the city of Mississauga, in the Province of Ontario

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the proposal of 1348441 Ontario Inc. of the city of Mississauga in the Province of Ontario and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____, do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____ creditor).
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of proposal, namely the 26th day of March 2020, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
 (Check appropriate description.)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ _____, I do not claim a right to a priority.
 (Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
 (Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
 (Attach a copy of sales agreement and delivery receipts.)

FORM 31 --- Concluded

- E. CLAIM BY WAGE EARNER OF \$ _____
- That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____.
- That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____.
- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
- That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____.
- That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____.
- G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)
 That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

- H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: *(Provide details of payments, credits and transfers at undervalue.)*

7. *(Applicable only in the case of the bankruptcy of an individual.)*

- Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____.

 Witness

 Creditor

Phone Number: _____
 Fax Number : _____
 E-mail Address : _____

NOTE If an affidavit is attached, it must have been made before a person qualified to take affidavits.
WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.
 Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

APPENDIX A

CHECKLIST FOR PROOF OF CLAIM

This checklist is provided to assist you in preparing the proof of claim form and, if appropriate, the proxy form in a complete and accurate manner. Please check each requirement.

GENERAL

- The signature of a witness is required.
- The document must be signed by the individual completing the declaration.
- Provide the complete address where all notices or correspondence are to be forwarded along with your phone number, fax number and email address where appropriate.

Notes:

- It is permissible to file a proof of claim by fax.
- A creditor may vote either in person or by proxy at any meeting of creditors if the proof of claim is filed with the trustee prior to the time appointed for the meeting.
- A quorum at any meeting of creditors is at least one creditor with a valid proof of claim in attendance in person or by proxy.
- A corporation may vote by an authorized agent or mandatary at meetings of creditors.
- In order for a duly authorized person to have a right to vote, they must be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.
- A creditor who is participating in any distribution from an estate must have filed a proof of claim prior to the distribution being declared.
- In the case of an individual bankrupt, by checking the appropriate box or boxes at the bottom of the proof of claim form, you may request that the trustee advise you of any material change in the financial situation of the bankrupt or the amount the bankrupt is required to pay into the bankruptcy, and a copy of the trustee's report on the discharge of the bankrupt.

PARAGRAPH 1

- Creditor must state full and complete legal name of the individual, company or firm.
- If the individual completing the proof of claim is a representative of the creditor, the individual's position or title must be identified.

PARAGRAPH 3

- The amount owing must be set out in paragraph 3.
- A detailed statement of account must be attached to the proof of claim and marked "Schedule A" and must show the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. The amount on the statement of account must correspond to the amount indicated on the proof of claim.

PARAGRAPH 4

Notes:

- Paragraph A applies to *ordinary unsecured claims*. In addition to recording the amount of the claim, please indicate whether the claim has a priority pursuant to section 136 of the Act.
- Paragraph B applies to *lessor claims* in a commercial proposal. Please ensure that the claim applies to a commercial proposal and, if so, include the full particulars of the claim.
- Paragraph C applies to *secured claims*. Please indicate the dollar value of the security and attach copies of the security document. In addition, please attach copies of the security registration documents, where appropriate.
- Paragraph D applies to *inventory claims of farmers, fishermen and aquaculturists*. Please note that such claims apply only to inventory supplied from farmers, fishermen and aquaculturists within 15 (fifteen) days of the date of bankruptcy. In addition, please attach copies of any applicable sales agreements and delivery slips.
- Paragraph E applies to *claims by wage earners*. Please note that such claims apply only for unpaid wages owed upon the bankruptcy of an employer or when the employer becomes subject to a receivership.

- Paragraph F applies to *claims by employees for unpaid amounts regarding pension plans*. Please note that such claims apply only to unremitted pension contributions outstanding when the sponsoring employer becomes bankrupt or is subject to a receivership.
- Paragraph G applies to *claims against directors*. Please note that such claims apply only to directors of corporations that have filed a commercial proposal to creditors that includes a compromise of statutory claims against directors.
- Paragraph H applies to *claims of customers of a bankrupt securities firm*. Please ensure that the claim of the customer is for net equity and, if so, include the full particulars of the claim, including the calculations upon which the claim is based.

PARAGRAPH 5

- All claimants must indicate whether or not they are related to the debtor, as defined in section 4 of the Act, or dealt with the debtor in a non-arm's-length manner.

PARAGRAPH 6

- All claimants must attach a detailed list of all payments or credits received or granted, as follows:
 - (a) within the three (3) months preceding the initial bankruptcy event (including the bankruptcy or the proposal);
 - (b) within the twelve (12) months preceding the initial bankruptcy event (including the bankruptcy or the proposal) in the case where the claimant and the debtor were not dealing at arm's length.

- PROXYHOLDER -

NOTE

The Act permits a proof of claim to be made by a duly authorized representative of a creditor but, in the absence of a properly executed proxy, does not give such an individual the power to vote at the first meeting of creditors nor to act as the proxyholder of the creditors.

GENERAL

- In order for duly authorized persons to have a right to vote, they must themselves be creditors or be the holders of a properly executed proxy. The name of the creditor must appear in the proxy.

Notes:

- A creditor may vote either in person or by proxyholder.
- A proxy may be filed at any time prior to a vote at a meeting of creditors.
- A proxy can be filed with the trustee in person, by mail or by any form of telecommunication.
- A proxy does not have to be under the seal of a corporation unless required by its incorporating documents or its bylaws.
- The individual designated in a proxy cannot be substituted unless the proxy provides for a power of substitution.
- Bankrupts/debtors may not be appointed as proxyholders to vote at any meeting of their creditors.
- The trustee may be appointed as a proxyholder for any creditor.
- A corporation cannot be designated as a proxyholder.

PROXY

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Dodick Landau Inc. - Licensed Insolvency Trustee

4646 Dufferin St., Suite 6
Toronto ON M3H 5S4
Phone: (416) 645-0542 Fax: (416) 649-7725
E-mail: brenda.mcknight@dodick.ca

VOTING LETTER

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

FORM 37

Voting Letter
(Paragraph 51(1)(f) of the Act)

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario

I, _____, creditor (or I, _____, representative
of _____, creditor), of _____, a creditor in the above matter
for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of 1348441
Ontario Inc., to record my vote _____ (for or against) the acceptance of the proposal as made on
the _____ day of _____.

Dated at _____, this _____ day of _____.

Witness Individual Creditor

Witness Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:
Dodick Landau Inc. - Licensed Insolvency Trustee
Per:

Rahn Dodick - Licensed Insolvency Trustee
4646 Dufferin St., Suite 6
Toronto ON M3H 5S4
Phone: (416) 645-0542 Fax: (416) 649-7725
E-mail: brenda.mcknight@dodick.ca

APPENDIX "C"

**COURT FILE NO.: 32-2634165
ESTATE NO.: 32-2634165**

**1348441 ONTARIO INC. o/a SOLUTIONS YOUR ORGANIZED LIVING STORE
("SOLUTIONS" or the "Company")**

**MINUTES OF FIRST MEETING OF CREDITORS
(the "Meeting")**

DATE, TIME AND LOCATION

Date: June 26, 2020

Time: 11:00 a.m.

Location: ZOOM Meeting ID 966 7567 3945

Chair: Rahn Dodick-Dodick Landau Inc. (the "Proposal Trustee")

**Secretary and
Scrutiner:** Brenda McKnight – Dodick Landau Inc.

QUORUM

The Chair established that a quorum existed.

CALL TO ORDER

The Chair declared the Meeting legally constituted and called the Meeting to order. The Attendance Sheet is attached as Exhibit "A".

AFFIRM THE APPOINTMENT OF THE PROPOSAL TRUSTEE

1. A Motion was brought by Elwyn Garnet, and seconded by Anita Menasian affirming the appointment of the Proposal Trustee.

NOTICE OF MEETING

2. The Chair tabled, for inclusion in the minutes, the form Notice of Proposal to Creditors, Meeting of Creditors, the Proposal, the Statement of Affairs, the Report of Trustee on Proposal and the Affidavit of Mailing, all attached as Exhibit "B" to these minutes.

FUNDING OF PROPOSAL

3. The Proposal Trustee outlined the terms of the Proposal, the order of distribution and the recovery potential to creditors. The Proposal Trustee referred attendees to the Trustee's Report to the Creditors on the Proposal and provided an overview of the Proposal filed by the Company.

QUESTIONS ABOUT THE PROPOSAL

4. The floor was opened to questions by the Proposal Trustee. Questions were raised and addressed by the Proposal Trustee and its legal counsel.

REPORT ON ATTENDANCE

5. The Scrutineers provided a report on attendance and advised the Meeting that there were 24 creditors present in person representing \$192,199.21 of value of claims.

ADJOURNMENT

6. At 11:30 the Zoom meeting was adjourned to allow for problem solving on a sound issue in the Meeting. The Meeting re-convened at 12:00 p.m.

RE- CONVENED MEETING – June 26, 2020 at 12:00 p.m.

7. A Motion to consider a resolution to approve the Proposal by the unsecured creditors was proposed at the Creditors' Meeting (the "Resolution"). The Resolution tabled at the meeting was as follows:

"Be and it is hereby resolved to accept the Proposal of 1348441 Ontario Inc. o/a Solutions Your Organized Living Store dated June 9, 2020, and, if approved, the Proposal Trustee and 1348441 Ontario Inc. will take all necessary steps to implement the terms of the Proposal".

8. The results of the vote were presented to the Meeting and they were as follows:

A majority in number representing in excess of two-thirds in value of the unsecured creditors holding proven claims and voting in person or by proxy at the Creditors' Meeting, or by voting letter, voted in favour of the Resolution to approve the Proposal dated June 9, 2020. Fifty Five creditors with claims totaling \$487,007.06 voted in favour of the Proposal. One creditor with a claim totaling \$8,729.25 voted against the Proposal. A copy of the Voting Summary is attached as Exhibit "C".

APPOINTMENT OF INSPECTORS

9. The Chair asked the individuals present at the meeting of the unsecured creditors whether anyone would volunteer to act as Inspector.
10. There were six parties present at the meeting and interested in being Inspectors. The following individuals were appointed as Inspectors: Muddassir Younus, Sebastian Demedeirs, Adriane Jones, Olivia Bowes, Brita Mistry.

The following individual agreed to act as replacement Inspector in the event that any of the five inspectors resign over the course of the Proposal: Kuldip Patel.

TERMINATION OF MEETING

11. As there was no further business brought before the Meeting, the Meeting was terminated at 12:40 p.m.

Dated at Toronto, Ontario, this 26th day of June, 2020.



Per: Rahn Dodick, Chair

Dodick Landau Inc.
Acting as Proposal Trustee for
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
and not in its personal or corporate capacity.

APPENDIX "D"

Court File No. 32-2634165
Estate No. 32-2634165

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

**IN THE MATTER OF THE PROPOSAL OF
1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA
IN THE PROVINCE OF ONTARIO**

**FIRST REPORT OF DODICK LANDAU INC.
AS PROPOSAL TRUSTEE OF 1348441 ONTARIO INC.**

APRIL 20, 2020

INTRODUCTION

1. On March 26, 2020 (the "**Filing Date**"), 1348441 Ontario Inc. (o/a Solutions Your Organized Living Store) (the "**Debtor**") filed with the Official Receiver a Notice of Intention to Make a Proposal ("**NOI**") to its creditors pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (the "**BIA**") and named Dodick Landau Inc. ("**DLI**") as Proposal Trustee (the "**Proposal Trustee**"). A copy of the NOI and certificate of filing are attached hereto and marked as **Appendix "A"**.
2. A detailed overview of the Debtor's business operations, its creditors and financial difficulties which led to the filing of the NOI is set out in the Affidavit of Gurmej (Rick) Walia sworn April 17, 2020 (the "**Walia Affidavit**"), served and filed with the Court in support of the Debtor's motion for the relief set out herein.
3. All capitalized terms used in this Report but not otherwise defined shall have the meaning ascribed to such terms in the Walia Affidavit.

4. This first report (the “**Report**”) of the Proposal Trustee is made in connection with the motion of the Debtor to:
- i. abridge the time for service of the Notice of Motion, the Motion Record and this Report and dispensing with service on any other person other than those served;
 - ii. authorize the Debtor to enter into a debtor-in-possession loan in the maximum amount of \$500,000 pursuant to a term sheet (“**DIP Term Sheet**”) with Mr. Walia, as lender (the “**DIP Lender**”), approving the DIP Term Sheet and granting the DIP Lender a super priority charge on all of the Debtor’s property, assets and undertakings as security for all of the Debtor’s obligations to the DIP Lender under the DIP Term Sheet;
 - iii. extend the time for filing a proposal, and extend the stay of proceedings granted upon the filing of the NOI, for a period of 45-days to, and including, June 9, 2020;
 - iv. seek an order granting a charge (the “**Administration Charge**”) in an amount not to exceed \$100,000 in favour of the Debtor’s legal counsel, the Proposal Trustee and its legal counsel to secure payment of their reasonable fees and disbursements; and
 - v. approve the activities of the Proposal Trustee as set out in this Report.

DISCLAIMER

5. In preparing this Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, the Company’s books and records, discussions with the management of the Company (“**Management**”) and information from other third-party sources (collectively, the “**Information**”). Except as described in this Report:
- i. the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information;

- ii. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants handbook, has not been performed; and
 - iii. the Proposal Trustee has prepared this Report in its capacity as a Court appointed officer and will make a copy of this Report available on the Proposal Trustee's website at www.dodick.ca for purposes of the Company's motion returnable April 22, 2020. Parties using this Report, other than for the purpose of the motion, are cautioned that it may not be appropriate for their purposes.
6. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
7. Unless otherwise stated, all monetary amounts contained herein are in Canadian dollars.

CREDITORS

Employee Priority Claims

8. As at March 26, 2020, the date of the NOI, there were approximately 150 employees of the Debtor with unpaid wages and vacation pay totaling approximately \$80,000. This amount would be subject to super-priority in the BIA pursuant to sections 81.3 in the case of a bankruptcy and a preferred claim pursuant to section 60(1.3)(a) of the BIA in the case of a Proposal.

Scotiabank

9. On June 25, 2018, the Bank of Nova Scotia ("**Scotiabank**") and the Debtor entered into a commitment letter (the "**Commitment Letter**"). As security for its obligations to Scotiabank, the Debtor executed a general security agreement in favour of Scotiabank, granting to Scotiabank a security interest in all of the Debtor's present and after acquired personal property, which security is registered against the Debtor pursuant to the Ontario *Personal Property Security Act* (the "**PPSA**").

10. Pursuant to the Commitment Letter, Scotiabank made various credit facilities available to the Debtor, which facilities were drawn on by the Debtor. As at the Filing Date, the Debtor was indebted to Scotiabank under the Commitment Letter in the approximate aggregate amounts of (CAD) \$5,456,981 and (USD) \$390,821 (the "**Scotiabank Indebtedness**").
11. The related party which owns the real property in which the head office/distribution centre is located, 1008314 Ontario Limited ("**100**"), also guaranteed the Scotiabank Indebtedness (the "**Guarantor**").
12. Immediately prior to the filing of the NOI, Scotiabank issued demands for repayment and notices under Section 244 of the BIA as against the Debtor and the Guarantor. The Debtor had previously engaged in discussions with Scotiabank and waived the notice period under the Section 244 notices on the understanding that Scotiabank would support the Debtor's efforts to restructure its business and enter into a formal forbearance (the "**Forbearance Agreement**") with the Debtor to facilitate its restructuring efforts through the NOI and proposal periods.
13. Key terms of the Forbearance Agreement include, among other things:
 - i. Scotiabank shall grant the Debtor day to day forbearance and credit which may be terminated by Scotiabank with no further notice, and in Scotiabank's absolute discretion;
 - ii. the Debtor agrees to DLI also acting as monitor on behalf of Scotiabank;
 - iii. the Debtor shall file its Proposal on or before June 10, 2020;
 - iv. the Debtor shall complete an appraisal of its inventory showing a liquidation value and provide copy of same to Scotiabank on or before July 1, 2020;
 - v. the Debtor will have a firm commitment from a lender for refinancing by July 1, 2020 with a closing date of no later than August 13, 2020 (the "**Forbearance Termination Date**") and in a sum sufficient to satisfy the Scotiabank Indebtedness in full; and
 - vi. the Debtor shall pay the Employee Priority Claims in full by no later than the Forbearance Termination Date.

Related Party Loans

14. According to Management, pursuant to various loans, the Debtor is indebted to Mr. Walia personally in the aggregate amount of approximately \$6.3 million ("**Related Party Loans**"). The Related Party Loans were excluded from the initial creditor list provided by the Debtor to the Proposal Trustee and, therefore, were not included on the creditor list appended to the NOI.
15. The Related Party Loans are secured by a general security agreement executed by the Debtor, and registered pursuant to the PPSA, on March 17, 2020. Based on the Proposal Trustee's review of the Debtor's financial statements, the Proposal Trustee understands that the Related Party Loans existed prior to March 17, 2020, however, it appears they were unsecured until March 17, 2020. Accordingly, it appears that the security granted in respect to the Related Party Loans is subordinate to Scotiabank's security and the Employee Priority Claims which have a super-priority.

Unsecured Creditors

16. As at the date of the NOI, the Debtor owed 179 unsecured creditors approximately \$1.0 million.

INTERIM FINANCING

17. Mr. Walia, in his capacity as the proposed DIP Lender has offered to make available to the Debtor, a debtor-in-possession loan in the maximum amount of \$500,000 (the "**DIP Loan**") pursuant to the terms of the DIP Term Sheet, to fund the Debtor's financial needs and anticipated cash shortfall, as provided for in the Cash Flow Forecast prepared by the Debtor (defined and discussed further herein).
18. It is a fundamental term of the DIP Term Sheet that the Court grant an order on terms acceptable to the DIP Lender, including the granting of a charge in favour of the DIP Lender (the "**DIP Lender's Charge**"), which charge will rank behind only the Administration Charge, but in priority to all other claims and encumbrances.
19. Other key terms of the DIP Term Sheet include the following:
 - i. the total available funds under the DIP Term Sheet is expected to be approximately \$500,000. The first \$100,000, less repayment to Mr. Walia of amounts funded by

Mr. Walia to the Debtor prior to the Filing Date, shall be advanced with 48 hours of the granting of the court order approving the DIP Term Sheet ("**First DIP Advance**");

- ii. advances will be made in the sole and unfettered discretion of the DIP Lender;
 - iii. the interest rate is 0% per annum and no financing fees are being charged; and
 - iv. the DIP Loan matures on the earliest of: a) demand; b) occurrence of an Event of Default (as defined in the DIP Term Sheet); c) the date on which the period for the Debtor to file a proposal in the proceedings is not extended or terminated; d) the date on which the Debtor becomes bankrupt; e) the date upon which a sale of substantially all of the business and assets of the Debtor is completed; or f) July 31, 2020.
20. Based on the Debtor's Cash Flow Forecast, by the week-ending April 26, 2020, the Debtor will require DIP Loan advances totalling approximately \$191,000 to maintain its remaining operations in an idle state during the Covid-19 closure period, \$91,000 more than the First DIP Advance of \$100,000 scheduled to be released on April 24, 2020, should the Court's order be granted.
21. The amount of the First DIP Advance will be dependent on whether a party related to the Debtor holding two retail subleases, enters into agreements with two of its respective landlords to defer post-NOI rent owing for the period of March 26, 2020 to April 30, 2020 ("**Deferral Period**") totalling approximately \$88,000. As these two locations remain closed in compliance with the closures of non-essential businesses mandated by the Ontario Provincial Government (the "**Province**"), the Debtor is unable to earn revenue from these locations. As these two subleases are locations that the Debtor would like to continue operating in, the Debtor has requested landlord approval to defer payment of its post-NOI rent to such time as these stores are able to re-open. At the date of this Report, the Proposal Trustee understands that a rent deferral arrangement with the landlords has not yet been secured, however, the Debtor is currently engaged in discussions with the two landlords in respect to this deferral.

22. On April 2, 2020 a notice of distress was issued to the Debtor by a third landlord. Subsequently, Mr. Walia advanced funds to the Debtor to fund occupation rent from the Filing Date to the end of April 2020 and the landlord withdrew its notice of distress.
23. If the Debtor is able to secure a 100% rent deferral from the two remaining landlords for the Deferral Period by the date the first advance is made, the Proposal Trustee is of the view that the DIP Term Sheet is reasonable in the circumstances and should be approved. If the rent deferral is not obtained by the date the First Loan Advance is scheduled to be made, the Proposal Trustee is of the view that the DIP Term Sheet should still be approved, subject to the DIP Lender agreeing to increase the First DIP Advance to \$191,000 in accordance with the Debtors' cash requirements in its Cash Flow Forecast.
24. In the absence of the DIP Loan, the Debtor will: (i) not be able to maintain its business, preserve asset value or implement restructuring steps; and (i) be forced to immediately shut down entirely and commence a liquidation of its assets once the COVID-19 restrictions are lifted, resulting in the loss of value and jobs which will be detrimental to all of the Debtor's creditors and stakeholders.

EXTENSION OF STAY OF PROCEEDINGS

25. The Debtor is seeking an extension of the time for the filing of the proposal to and including June 9, 2020, for a total of 45 days.
26. The stay extension is required to provide the Debtor with the necessary time to preserve its business on a going concern basis for the benefit of its stakeholders.
27. The Proposal Trustee is of the view that the Debtor is acting in good faith and with due diligence in formulating and implementing a restructuring plan that would preserve its business and assets for the benefit of the stakeholders. Scotiabank, the Debtor's senior secured creditor, supports the stay extension being requested.
28. Without the requested extension, the Debtor is not in a position to make a viable proposal to its creditors and will become bankrupt to the detriment of its stakeholders. In contrast, no creditor will be materially prejudiced if the extension applied for is granted. If the extension applied for is granted, the Debtor would likely be able to make a viable proposal to its creditors following the completion of its restructuring.

OVERVIEW OF THE DEBTOR'S WEEKLY CASH FLOW FORECAST

29. The Debtor, with the assistance of the Proposal Trustee, has prepared a thirteen-week cash flow forecast for the period of March 26, 2020 to June 21, 2020 ("**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "B"** to this Report. The Cash Flow Forecast has been prepared by Management of the Debtor for the purposes of this motion, using probable and hypothetical assumptions set out in notes 1 to 13 attached to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the thirteen-week forecast period in Canadian dollars.
30. The Cash Flow Forecast projects that the Debtor will require the use of the DIP Loan immediately to maintain the bare bones of its business during the restructuring process, fund working capital and the costs of the proposal proceedings.
31. Prior to the NOI filing, the Debtor had 12 retail locations, which all closed in the week prior to the filing of the NOI in compliance with the closures of non-essential businesses mandated by the Province. The Cash Flow Forecast provides for three out of the Debtor's twelve locations re-opening to the public ("**Remaining Locations**"). The Debtor has determined that it is no longer economical to operate the other nine stores and these locations have been permanently closed ("**Closed Locations**"). Since the NOI filing, the Debtor has moved all inventory from the Closed Locations to its distribution centre owned by 100.
32. The Cash Flow Forecast further assumes that the Province will permit retail stores to reopen by June 1, 2020. Should the Province's mandated closures extend beyond June 1, 2020 and the Remaining Locations are unable to open as forecasted, the deficit forecast will increase and, absent rent deferrals being provided by the Debtor's landlords in its Remaining Locations, the Debtor will require a larger DIP Loan than currently contemplated in the DIP Term Sheet. The DIP Loan of \$500,000 is meant to be sufficient to fund the Debtor's cash flow deficit which peaks at approximately \$492,000 during the week-ending May 31, 2020 in the Cash Flow Forecast.
33. The Cash Flow Forecast projects that the Debtor will have sufficient liquidity, following receipt of advances totalling approximately \$492,000 under the DIP Loan, to fund the

Debtor's expenses and Proposal proceedings throughout the proposed extension to the stay of the proceedings.

34. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by Management of the Debtor. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of the Debtor for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
35. Based on the Proposal Trustee's review, except as otherwise described in this Report, nothing has come to its attention to cause it to believe that, in all material respects:
 - i. the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - ii. as at the date of this Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtor or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
 - iii. the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.

ADMINISTRATION CHARGE

36. The Debtor is seeking a charge (the "**Administration Charge**"), in a maximum amount of \$100,000, in favour of the Debtor's legal counsel, the Proposal Trustee and its legal counsel, which shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise in favour of any person.
37. The Proposal Trustee is of the view that the Administration Charge is necessary and reasonable in the circumstances in order to carry out the restructuring and complete the administration of the Proposal.

CONCLUSION AND RECOMMENDATION

38. The Proposal Trustee is of the view that the stay extension, as described above, will allow the Debtor the necessary time to complete a restructuring of its business.
39. The Proposal Trustee is further of the view that the DIP Lender's Charge and the Administration Charge are necessary, reasonable and appropriate in these circumstances.
40. Based on the foregoing, the Proposal Trustee respectfully recommends that the Court make an order granting the relief being requested by the Debtor pursuant to the BIA.

All of which is respectfully submitted this 20th day of April 2020.

DODICK LANDAU INC.

In its capacity as the Proposal Trustee of
1348441 Ontario Inc. (o/a Solutions Your Organized Living Store)
and not in its personal or corporate capacity.

Per:



Rahn Dodick, CA, CPA, CIRP, LIT
President

APPENDIX "E"

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2634165
Estate No. 32-2634165

FORM 40.1
Notice of Hearing of Application for Court Approval of Proposal
(Paragraph 58(b) of the Act)

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario


In Superior Court of Justice - Toronto

In the matter of the proposal of 1348441 Ontario Inc., a debtor.

Take notice that an application will be made to the court, on the 11th day of August 2020, at 12:00 PM, to approve the proposal of 1348441 Ontario Inc., accepted by the creditors at a meeting held on the 26th day of June 2020. To attend, please call 416-645-0542 to receive further information on registering for the hearing to be held by videoconference.

Dated at the city of Toronto in the Province of Ontario, this 20th day of July 2020.

Dodick Landau Inc. - Licensed Insolvency Trustee



4646 Dufferin St., Suite 6
Toronto ON M3H 5S4
Phone: (416) 645-0542 Fax: (416) 649-7725

CANADA
 Province of Ontario
 District of: Ontario
 Division No. 09 - Mississauga
 Court No. 32-2634165
 Estate No. 32-2634165

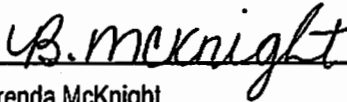
Affidavit of Mailing

In the matter of the proposal of
 1348441 Ontario Inc. o/a Solutions Your Organized Living Store
 of the city of Mississauga, in the Province of Ontario

I, Brenda McKnight, of the Trustee's office of Dodick Landau Inc., 4646 Dufferin St., Suite 6, Toronto, ON, M3H 5S4, hereby make oath (or solemnly affirm) and say:

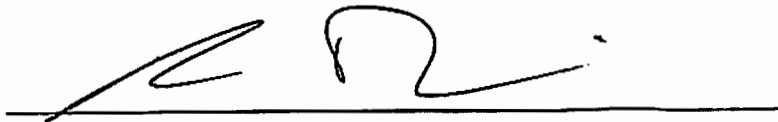
That on the 21st day of July 2020, I did cause to be sent by E-mail and prepaid ordinary mail to everyone on the attached mailing list and by e-file to the Office of the Superintendent of Bankruptcy, whose names and addresses appear on the paper writing marked exhibit "A" annexed hereto, a copy of: Notice of hearing of application for court approval of proposal.

And that, on the 21st day of July 2020, I e-mailed to the debtor.



Brenda McKnight
 Phone: (416) 736-4357
 Fax: (416) 649-7725

SWORN (or SOLEMNLY DECLARED) before me in the city of Toronto in
 the Province of Ontario, this 21st day of July 2020.



Rahn Dodick, Commissioner of Oaths
 For the Province of Ontario
 Expires July 20, 2023

Sent by email if underlined

Creditor Mailing List

This is Exhibit A to the Affidavit of B. M. Wright Sworn before me this 12th day of July, 2020

Balance mail

In the matter of the proposal of 1348441 Ontario Inc. o/a Solutions Your Organized Living Store of the city of Mississauga, in the Province of Ontario

A. Commissioner, etc. John Dodick, a Commissic Province of Ontario, for Do Landau Inc. and Dodick Lz Partnership, Expires July 2...

Creditor Type	Name	Attention	Address	Claim
Director	Gurmej Walia	<u>Rickwalia@solutions-stores.ca</u>	30 Karen Court Brampton ON L8Y 4J1	
Official Receiver	Office of the Superintendent of Bankruptcy	Mr. Brian Haley	151 Yonge Street, 4th Floor Toronto ON M5C 2W7	
Preferred	Ahmed, D.		2570 176 Felix Road Richmond Hill ON L4C 3M9	141
	Al-Khaffaf, A.		2371 623-790 Springland Ottawa ON K1V 6L7	1,181
	Altamimi, O.		2660 641 Fathergill Blv Burlington ON L7L 6E3	126
	Ameri, N.		2376 19 Root Cres Ajax ON L1T 4J8	384
	Ardroudi, R.		2647 235 Raysnow Blvd New Market ON L3X 3J1	431
	Bedneau, K. S.		1924 6737 Bansbridge Crs Mississauga ON L5N 6T4	1,111
	Belair, J.		2667 33 Jackman Ave Toronto ON M4K 2X5	648
	Bellefeuille, M.		2465 1005 Rue Laurier Rockland ON K4K 1T7	517
	Bernal, M.		2485	493
	Bialy, N.		2375 11 Alberty Cres Ajax ON L1S 2Y2	713
	Blight J. L.		2606 200 Willow Lanc 200 Willow Lanc ON L3Y 6R8	399
	Bopara, P.		2277 7014 Lessard Lane Mississauga ON L5W 1A4	833
	Bowes, O.		2516 304-390 Southdale Rd. E. London ON N6E 1V9 <u>livbowes@hotmail.com</u>	1,358
	Browning, C.		2389	2
	Brun FaustoCsorda, A.		2405 5414 Sheldon Park Burlington ON L7L 5X3	323
	Brunet, L.		268 183 Rue Arthur Gatineau QC J9H 7T8	1,828

Creditor Mailing List

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	Clai
Preferred	Buenaventura, M.		2481 PH 02-65 Oneida Cr Richmond Hill ON L4B 0G9	3
	Carrique N.		2598 61 Falling Brook D Barrie ON L4N 7E8	18
	Chahal, S.		2467 7 Adler Drive Cambridge ON N3C 4J9	4.
	Chaisson S.		2514 44 Arthur Fach Dr Cambridge ON N1T 2G5	831
	Chaisson, A.		2682 44 Arther Fach Cambridge ON N1T 2G5	8:
	Chambers, C.		2317 58 Ridley Blvd. Toronto ON M5M 3L4	957
	Champsí, A.		1679 24 Wheatsheaf St Richmond Hill ON L4E 5B7	14
	Chapman, C.		2562 55 Churchliand Dr Barrie ON L4M 8P9	299
	Charbonneau, J.		2239 54 Plowman Drive Ajax ON L1S 6R9	14
	Chaier E.		2620 52 Redwood Dr Cnmbridge ON N3C 2S4	319.
	Cheung, O.		2431 716 Shool Point Rd Ajax ON L1S 7P6	944.
	Chung B.		2617 .	93.
	Coghlan, K.		2599 66 Old Mill Rd. Cambridge ON N3H 4R8 kimcoghlan5@hotmail.com	1,349.
	Cole, B.		2183 136 Riveredge Dr. Georgina ON L4P 2P3 blake.cole@live.ca	757.
	Crowley, A.		2364 846 McKay Cres. Milton ON L9T 6L2	930.
	Cukier, D.		2674 10 Action Ave Toronto ON M3H 4G7	384.4
	Curtis, J.		2672 202-89 Isabella Street Toronto ON M4Y 1N8 jrcurtis@live.ca	745.0

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1348441 Ontario Inc. o/a Solutions Your Organized Living Store
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Creditor Type	Name	Attention	Address	Clai
Preferred	Davidson, D.		1659 41 Bailey Cresc Bsmt. Aurora ON L4G 2B2 david_j_davidson@hotmail.com	2,000
	Davoodi, A.		2479 170 Less Avenue Ottawa ON K1S 5G5	46
	De Paula Vamashita, J.		2470 2509-565 Sherbourne Street Toronto ON M4X 1W7 joy.andressa@hotmail.com	7:
	Demedeiros, S.		2548 1006-7730 Kipling Ave Woodbridge ON L4M 1Y9 s.demedeiros@rogers.com	1,913
	Derbyshire, L.		2685	65
	Desrochers, M.		2681 25 Lorne Ave New Market ON L3Y 5N8	346
	Doyle, V.		2501 211 - 25 Grand Avenue London ON N6C 1L3 ginny.doyle@hotmail.com	1,197
	Durigon, R.		2433 97 Sheppard E Toronto ON M2N 3A3	2,000.
	Enc, L.		262 605-305 Presland R Ottawa ON K1K 4C6	1,735.
	Enilari, Y.		2096 2583 Yonge Street Tornro ON M4P 2J1	1,069.
	Ennis, R.		2181 31 Teseo court Richmond Hill ON L4B 3H8	1,121.
	Feroze, K.		2628 150 Mill Street Richmond Hill ON L4C 4A9	1,190.1
	Francisco, J.		2666 58 Howe Dr Unit 11 Kitchener ON N2E 0G4	295.0
	Fraser, I.		2352 201-1535 Alta Vist Ottawa ON K1G 3N9	1,863.5
	Fry, D.		2177 26 Windsor Ave Ajax ON L1S 2A9 diana.fry@hotmail.com	2,167.4
	Galdos Suarez, E.		1984 713-535 Proudfoot Lane London ON N6H 5X2 elizabethgal2@ymail.com	2,000.0

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Creditor Type	Name	Attention	Address	Clai
Preferred	Garnett, E.		6983 29 Marchington Circle Scarborough ON M1R 3M6 garnettelwyn@gmail.com	1,59
	Gonzalvo, L.		1661 503-1525 Alta Vist Ottawa ON K1G 3N9	10
	Good, D.		.	5
	Gul, A.		2668 10 Chester Dr., # 33 Cambridge ON N1T 0C8	4
	Hancock, J.		2484 14 Cottonwood Dr. St. Thomas ON N5P 4M4	93
	Hancock, P.		2223 3-24 Cynthia Street London ON N6C 3G3 plhek@icloud.com	471
	Hernandez, J.		2629 652 Royal Fern St Waterloo ON N2V 2P6	291
	Hill, A.		.	32
	Iqbal, S.		2449 12 Rossini Dr Richmond Hill ON L4E 0R6	167
	Jennings-Fitz-Gerald, E.		2550	437
	Johnstone, C.		2616 66 Carley Crescent Barric ON L4N 0M8 cassjohnstone2320@gmail.com	804
	Jones, A.		2262 5-3575 Downpatrick Rd Ottawa ON K1V 8T3 ajdjottawa@rogers.com	1,803
	Kambo, A.		2643 16 Rellingwood Dr Brampton ON L6Y 4G5	721
	Kapil, S.		2545 3144 Velmar Dr Mississauga ON L5M 6V8	1,395.2
	Karimi Abdolrezaei, V.		2583 13 Zenyatta Lane East Gwillimbury ON L9N 0N7	798.3
	Kashan, U.		2673 1340 Farmstead Dr Milton ON L9E 1K9	60.7
	Kausar, F.		2296 1001 Cedarglen Gate, #204 Mississauga ON L5C 4R2	1,249.9
	Khan F.		2645	134.8
			...	

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1348441 Ontario Inc. o/a Solutions Your Organized Living Store
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Creditor Type	Name	Attention	Address	Claim
Preferred	Khan, S.		2180 6945 Lisgar Dr. Mississauga ON L5N 6V7	55
	Khan, Z.		2663 601 Branderiburg B Waterloo ON A2T 2V3	32
	Knowles, J.		1500 200 Centre St N Oshawa ON L1G 4C5	1,63
	Kousha Madhvi, Z.		2174 5793 Yonge St., #201 Toronto ON M2M 0A9 koushamahdavi2018@gmail.com	85
	Kumar, D.		2515 20 Kirk Drive Brampton ON L6X 4C5	623
	Laing, K.		2637 963 Prosperity Cr London ON N5V 5C7	99
	Lam, M.		2619	174
	Lariviere, C.		2400 1594 Abbey Road Ottawa ON K1G 0H3 clari048@uottawa.ca	433
	Lawrance, N.		2630 48 Weymouth Road Barrie ON L4M 6R8 nancylawrance@gmail.com	799
	Lee, P.		1841 139 Pemberton Aven Toronto ON M2M 1Y6	2,000
	Lee, SH.		2118 41 Far Niente Street Richmond Hill ON L4B 3T6	512
	Linares, M.		9459 25 Sedgebrook Ave. Stoney Creek ON L8E 0B2 myfanni2528@yahoo.com	809
	Macphce, M.		2202 35 Todd st. Cambridge ON N1R 1G0	534
	Manickathan, G.		2627 17 Castle Ave Scarborough ON M1R 2B9	258
	Marsh, M.		2568 14 Emlwood Ave Cambridge ON N1R 4X8	477
	Martin, B.		2621 1001-15 Lena Cr Cambridge ON N1R 0A6	122
	Martz, K.		9948 96 Wadsworth Cresc Cambridge ON N1S 5A3 kailevmartz@email.com	633

*incorrect
email
replaced by
mail.*

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In the matter of the proposal of
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Creditor Type	Name	Attention	Address	Claim
Preferred	McInerney, A.		2604 1950 Westlane Rd Ottawa ON K1H 5J6	19
	Menard, S.		1696 9 Natasha Way Markham ON L3R 5P6	52
	Miesch M.		2591 440 Tyler Cr Burlington ON L7L 6J8	21
	Milligan, S.		2494 163 Blackcres Blvd London ON N6G 2H1	2,000
	Mistry B.		2584 169 Robert Parkinsn Dr Brampton ON L7A 4H6 briamistry7@gmail.com	791
	Mitchell, D.		1989	1,489
	Mizzi, D.		875 13 Prince Crescent Brampton ON L7A 2C8	1,563
	Muhawenimana, D.		2335	1,230
	Muthreja, D.		510 6656 Mockingbird Lanes Mississauga ON L5N 5J9	1,086
	Nasir, S.		2179 710 Spanish Moss Trail Mississauga ON L5W 1E6	379
	Nezim, S.		2558 6 Ealtham Cr Richmond Hill ON L4B 1Z2	28
	Nikolov, A.		2582 Bsmt - 9 Grant St. Toronto ON M4M 2H4	370
	Nilmini, A.		905 18 Annabelle Drive Etobicoke ON M9V 3B6	2,000
	Noel, J.		2683	138
	Nowell L.		2657 188 Arrowhead Cres Kitchener ON N2P 1B9	300
	Obal, Z.		2263 216E Plains, #201 Burlington ON L7T 4L3	159
	Oelker, M.		2642 202-145 Lansdowne Ave Toronto ON M6K 2W1 mhoelker@gmail.com	720
	Papeo, M.		2551 36 Mayvale Cr Richmond Hill ON L4C 6P8	35

Creditor Mailing List

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1348441 Ontario Inc. o/a Solutions Your Organized Living Store
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Creditor Type	Name	Attention	Address	Clair
Preferred	Parker, M.		2402 121 York Rd Guelph ON N1E 3E7	412
	Patel, K.		2632 76 Pandora Circle Toronto ON M1H 1V7 lazyprogrammer9033@gmail.com	1,025
	Phillips, T.		9927	2,000
	Photopoulos, L.		... 2596 50 Inverlochy Blvd, #202 Thornhill ON L3T 4T6	254
	Pierre, E.		2641 38-1489 Heritage Way Oakville ON L6M 4M6 erneta@bell.net	331
	Powell, T.		9891 1006-53 Water St N Kitchener ON N2H 5A7	801
	Qureshi, T.		2502 38 Roseville Dr Brampton ON L6Y 2G8	533.
	Radix, M.		2474 306 Belsize Dr Toronto ON M4S 1M8 meganradix@gmail.com	1,470.
	Randhwa, K.		2633 123 Cinnamon Fern Waterloo ON N2V 0E9	247.
	Rawjani, F.		2076 5907 Rayshaw Cres Mississauga ON L5M 2P1	798.
	Razneinn, P.		2363 23 Parker Avenue Richmond Hill ON L4E 2X3	233.
	Reid, C.		2669 804 Clark Blvd., #212 Brampton ON L6T 2E8 cassandra.treid@gmail.com	684.
	Rezvan Del Ramzi, F.		2111 5793 Yonge St., #201 Toronto ON M2M 0A9 lidnrezvandel@gmail.com	2,000.0
	Ribeiro Coutinho, R.		2549 1811-411 Duplex Ave Toronto ON M4R 1V2	191.5
	Roglev, D.		272 170 Lees Avenue, #1505 Ottawa ON K1S 5G5	969.4
	Romanescu, H.		2595 508 Salem Road Barric ON L9J 0C9	955.2
	Rosenberg, M.		2384 333 Glengrove Ave Toronto ON M5N 1W4	84.3

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Creditor Type	Name	Attention	Address	Claim
Preferred	Salema, J.		2662 2065 Courtland Cr Mississauga ON L4Y 1V1	39
	Salinas, G.		2039 5603 Taw Ave Mississauga ON L5V 1W4	32
	Saman, B.		2489 686 Gypsy Fly Cr Mississauga ON L5W 1H6	82
	Sanford, N.		2532 326 Homestead Dr Oshwa ON L1J 6V1	30
	Sayarrezvan, L.		2541 153 Nahanni Dr Richmond Hill ON L4B 4L6	26
	Scrageldin M.		2665 B 742 Walter St Cambridge ON N3H 4P3	9
	Seymour L.		2635 .	24
	Shaid, M.		...	47
	Shao, W.		2653 407 Ravineview Way Oakville ON L6H 6S7	91
	Shapiro, J.		796 8 Topham Crescent Richmond Hill ON L4C 9G2	1,386
	Shaya M.		2166 5793 Yonge St., #201 Toronto ON M2M 0A9 shaya007.mahdavi@gmail.com	21
	Shemoun, J.		2518 24 Shale Crs Maple ON L6A 0Z3	2
	Singh G.		2313 9 Fountainview Way Brampton ON L6S 6K3	93
	Singh, J.		539 1901 Martin Grove, #620 Etobicoke ON M9V 3T1	35
	Smith, S.		2648 34 Taylor Dr Barrie ON L4N 8K6	14
	Snider, E.		2597 37 Falling Brook Dr Barrie ON L4N 7E9 emma.snider@rogers.com	19
	Snider, S.		2614 31 Kingham Ave Ajax ON L1Z 1M9 ssnider@rogers.com	181
	Stewart, J.		1723 95 Pittmann Cres Ajax ON L1S 3G6	1,46

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Creditor Type	Name	Attention	Address	Clai
Preferred	Taylor, R.		2360	63
	Thompson, A.		1110-3000 Yonge St Toronto ON M4N 2K5	212
	Thompson, K.		9553 66 Patrick Drive Whitby ON L1R 2L3	1,270
	Thy. T.		2319 Unit 48-350 Dundas Cambridge ON N1T 0C9 thompsonkate876@gmail.com	146.
	Trivedi, N.		2265 1036 Galesway Blvd Mississauga ON L5V 2T3	34.2
	Uppal Saina K		1940 98 Formosa Dr Richmond Hill ON L4S 1T1	502.7
	Venkatesan, G.		2011	60.2
	Vergara, I.		2676	477.54
	Vickery, J.		2359 33 Leah Crescent Ajax ON L1T 3J2	88.76
	Wadera, P.		2618 2895 Bathurst St., #511 Toronto ON M6B 3A8	1,045.66
	Walia S.		3005 48 Lavallec Crest. Brampton ON L6X 3A2	206.97
	Wilcox, S.		2623 3067 Janice Dr Oakville ON L6M 0S9	79.97
	Wolczyk, R.		2649 377 Grandveiw Ave London ON N6K 2T1	667.37
	Yao, K.		2238 40 Pollard Cres Ajax ON L1T 3N8	500.90
	Yazdanpanahi, Z.		9937 111 Inverlochy Blvd., #502 Thornhill ON L3T 3R7	272.61
	Yonus, M.		2586 21-370 Riddle Crt Newmarket ON L3Y 8M8 zadra.yazdanpanah77@gmail.com	2,476.95
	Zarate, D.		2510 1318 Chee Chee Landing Milton ON L9E 1L2 MUDDASSIRY@GMAIL.COM	2,000.00
			6012	

incorrect email replaced by mail.

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Creditor Type	Name	Attention	Address	Claim
Preferred	Zechmanis, G.		2661 215 Sandwell Dr Oakville ON L6L 4P3	78
Secured	CRA - Tax - Ontario		868143025RP0001 Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (866) 229-0839	23,34'
	GURMEJ WALIA		.	1,484,99'
	The Bank of Nova Scotia		47696000XX7701 4715 Tahoe Boulevard Mississauga ON L4W 0B4	5,430,38'
	The Bank of Nova Scotia		47696000XX7702 4715 Tahoe Boulevard Mississauga ON L4W 0B4	550,25'
	The Bank of Nova Scotia		4769602XX716 4715 Tahoe Boulevard Mississauga ON L4W 0B4	23,434
	The Bank of Nova Scotia		47696222XX511 4715 Tahoe Boulevard Mississauga ON L4W 0B4	1,008
Unsecured	3M CANADA CO		2752 Peddie Street Milton ON L9T 0K1 CAN	24,728
	407 EXPRESS TOLL		6300 Steeles Ave W Woodbridge ON L4H 1J1	762
	ABERDEEN PLASTICS INC	George Wright	995 Utica Avenue Brooklyn NY 11203 USA Fax: (347) 789-6844 aberdeen8@aol.com	13,205
	ALECTRA UTILITIES		2185 Derry Rd W MISSISSAUGA ON L5N 7A6	4,565
	Alharazi, B.		2684 306-325 Bleecker S Toronto ON M4X 1M7	22
	ALLIANCE MERCANTILE IN		35 West Pearce St #25, Richmond Hill ON L4B 3A9	3,118
	BALLQUBE INC		12146 County Road 4233 W Cushing TX 75760 USA	5,113
	BELL CANADA		ST. DON MILLS North York ON M3C 2X7	1,564
	BETTER HOUSEWARE		25-12 41 Avenue Long Island City NY 11101 USA	14,028.
	BETTER LIVING OF CANADA		SOLUCO 201 CHRISLEA ROAD VAUGHAN ON L4L 8N6 matthew@dispenscr.com	4,185.
	BRADSHAW CANADA HOL		198 ZENWAY BLVD UNIT-3 WOODBIDGE, ON L4H 0L6 CAN	13,010.
	BUDDEEZ INC.		1106 CROSSWINDS COURT WENTZVILLE, MO 63385 USA	11,803.

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1348441 Ontario Inc. o/a Solutions Your Organized Living Store
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Creditor Type	Name	Attention	Address	Claim
Unsecured	Canada Border Services Agency - Bonds	Guy Joly	10th Floor 219 Laurier Avenue West Ottawa ON K1A 0L8 Fax: (613) 957-6842 Guy.Joly@cbsa-asfc.gc.ca	18,59
	Chapman, C.		2562 55 Churchland Dr Barrie ON L4M 8P9	
	CITY OF KITCHENER		110189450 200 KING ST WEST, BOX 1113 KITCHENER ON N2G 4R6	75
	Coface North America Insurance Company		Kikkerland Design Inc. 650 College Road East, Suite 2005 Princeton NJ 08540 USA amy.schmidt@coface.com	10,95
	Coface North America Insurance Company		Richards Homewares Inc. 650 College Road East, Suite 2005 Princeton NJ 08540 USA amy.schmidt@coface.com	31,54
	Compagnie Francaise D'Assurance Pour Exterievre Canada		HAMELIN ENTERPRISES 650 College Road East, Suite 2005 Princeton NJ 08540 USA amy.schmidt@coface.com	7,331
	Compagnie Francis D'Assurance Pour Eterievre Canada		MLM HOME PRODUCTS 650 College Drive East, Suite 2005 Princeton NJ 08520 USA amy.schmidt@coface.com	520
	Compagnie Francoise D'Assurance Pour Exterievre Canada Branch		Lifetime Brands Canada 650 College Road East, Suite 2005 Princeton NJ 08540 USA amy.schmidt@coface.com	3,499
	CONNOISSEURS		9880 CLARK STREET#300 MONTREAL, QC H3L 2R3 CAN	3,038
	CORELLE BRANDS (CANADA)		12000 Molly Pitcher Highway South Greencastle PA 17225 USA	3,646
	Corporation of the City of Kitchener	Collection Department	City Hall 200 King Street West, PO Box 91113 Kitchener ON N2G 4G7 Fax: (519) 741-2751	245
	CRA - Tax - Ontario		868143025RC0001 Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (866) 229-0839	250
	CRA - Tax - Ontario		868143025RT0001 Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (866) 229-0839	34,927
	CUTLER FOREST PRODUCTS		81 ROYAL GROUP CRSCENT unit A VAUGHAN, ON L4H 1X9 CAN	1,590

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Creditor Type	Name	Attention	Address	Clai.
Unsecured	DANESCO INC.		18111 TRANS-CANADA KIRKLAND, QC H9J 3K1 CAN	87,66
	DAVID SHAW		85 MARTIN ROSS AVENUE Toronto ON M3J 2L5	3,07
	Davidson, D.		1659 41 Bailey Cresc Bsmt. Aurora ON L4G 2B2 david_j_davidson@hotmail.com	30
	DBEST PRODUCTS INC		425 15th STREET MANHATTAN BEACH CA 90266 USA Fax: (562) 333-4098 amina@dbestproducts.net	5,91
	DELMAR INTERNATIONALS		6399 Cantay Rd Mississauga ON L5R 0G4	15,221
	DIAL INDUSTRIES INC.		3628 NOAKES ST Los Angeles CA 90023 USA	6,77
	Durigon, R.		2433 97 Sheppard E Toronto ON M2N 3A3	25
	DV INTERNATIONAL INC.		1000 UNIVERSITY AVENUE,Suite 220 St. Paul MN 55104 USA	25,460
	ENBRIDGE GAS		STN A TORONTO ON M5W 0G2	642
	ERA WARE		2500 RUE GUENETTE ST.LAURENT QC H4R 2H2 CAN	969
	FAIL SAFE SECURITY	Greg Ovas	151 Porchlight Road Brampton ON L6X 4R7 greg.failSAFE@gmail.com	1,346
	Faisal, M.		2646 4288 Trailmaster Dr Mississauga ON L5V 3C4	1
	FOX RUN BRANDS		460 Applewood Crescent, Unit 2 VAUGHAN ON L4K 4Z3 stephen@foxrunbrands.com	10,565
	Galdos Suarez, E.		1984 713-535 Proudfoot Lane London ON N6H 5X2 elizabethgal2@ymail.com	23
	Garnett, E.		6983 29 Marchington Circle Scarborough ON M1R 3M6 garnettelwyn@gmail.com	
	GHP GROUP, ULC		271 MASSEY ROAD GUELPH ON N1K 1B2 CAN	15,087.
	Gilbert's LLP	Vik Tenckjian	77 King Street West, Suite 2010, PO Box 301, TD Centre Toronto ON M5K 1K2 Fax: (416) 703-7422 vik@gilbertslaw.ca	84,516.
	GRACIOUS LIVING		7200 MARTIN GROVE ROAD WOODBRIIDGE ON L4L 9J3	30,342.
	GURMEJ WALIA			4,849,757.
	HOME PRODUCTS INTL		5151 THIMENS BLVD ST.LAURENT QC H4R 2C8 CAN	10,820.

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Unsecured	HONEY-CAN-DO INTERNATIONAL	Mike Spneth	108720 5300 St. Charles Road Berkeley IL 60163 USA mspaeth@honeycando.com	3,09
	HURONIA ALARM		233 MIDLAND AVE MIDLAND ON L4R 3K1	19
	INTERDESIGN INC.		30725 Solon Industrial Parkway Solon OH 44139-0600 USA	66,91
	IRIS USA INC		11111 80th Ave Pleasant Prairie WI 53158 USA	69,37
	Jacob Shapiro		Your client Jacob Shapiro c/o Kastner Lam LLP 55 University Avenue, Ste. 1800 Toronto ON M5J 2H7 Fax: (416) 655-3044 jelders@kastnerlam.com	
	JASCOR HOUSEWARE INC	Chris Shipton	201 Wickstead Ave., Suite 5 Toronto ON M4A 0B1 Fax: (416) 644-1661	561
	JMD Renovation Inc.		20 Ripple Street Brampton ON L6R 3S5 mtnavcen@hotmail.com	
	JOKARI/US INC		585 ALPHA DRIVE PITTSBURGH PA 15238 USA	4,395
	K6 MEDIA DESIGNS		5515 CANOTEK, UNIT 8 OTTAWA ON K1J 9K9	1,008
	KITRICH CORPORATION		1585 W.MISSION BLVD POMONA CA 91766 USA	12,459
	KNAPE & VOGT MANUFACTURING		2700 Oak Industrial Dr. Grand Rapids MI 49505-6026 USA	15,917
	Knowles, J.		1500 200 Centre St N Oshawa ON L1G 4C5	
	Lawrance, N.		2630 48 Weymouth Road Barrie ON L4M 6R8 nancylawrance@gmail.com	
	Lec, P.		1841 139 Pemberton Aven Toronto ON M2M 1Y6	197
	LONDON HYDRO BILLING		111 HORTON STREET LONDON ON N6A 4J8	1,659
	LUG CANADA	Mike Thome	1351 RODICK ROAD, UNIT #1 MARKHAM ON L3R 5K4 mike@luglife.com	427
	Manulife		50354 500 King Street North Waterloo ON N2J 4C6 Fay Anonthysene@Manulife.ca	
	MCB GLOBAL (NIAGARA) INC.	Robert McBride	231 DOAN'S RIDGE ROAD Welland ON L3B 5N4 Fax: (905) 732-4414 mcbride@mcbglobalinc.com	15,757

Creditor Mailing List

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	Claim
Unsecured	METROPOLITAN WIRE	Christal Kaucher	651 North Washington Street Wilkes - Barre PA 18705 USA Fax: (570) 824-7145 <u>christal.kaucher@metro.com</u>	7,27
	Milligan, S.		2494 163 Blackcres Blvd London ON N6G 2H1	21
	MSC INTERNATIONAL		6700 THIMENS MONTREAL QC H4S 1S5 CAN	6,08
	NEATFREAK GROUP INC		5320 Timberlea Blvd MISSISSAUGA ON L4W 2S6 CAN	6,54
	New Best Truck Repair & Tire Ltd.		1136 Matheson Blvd. E. Mississauga ON L4W 2V4	2,43
	Nilmini, A.		905 18 Annabelle Drive Etobicoke ON M9V 3B6	1,24
	OAKVILLE HYDRO		861 REDWOOD SQUARE OAKVILLE ON L6K 0C7	1,60
	ORBIS CANADA		340 College St Suite 375 Toronto ON M5T 3A9 CAN	1,73
	PERFECT CURVE INC		137 SOUTH STREET Boston MA 02111 USA	4,88
	Phillips, T.		9927	86
			...	
	POLDER PRODUCTS INC		195 Christian St Oxford CT 06478 USA	15,61
	Powell, T.		9891 1006-53 Water St N Kitchener ON N2H 5A7	
	PRODUCT SPECIALTIES IN		10 CARLOW COURT, UNIT 6 WHITBY ON LIN 9T7	6,16
	REALLY USEFUL BOXES IN		2791 KATHERINE WAY, ELK GROVE VILLAGE IL 60007 USA	9,49
	Rezvan Del Ramzi, F.		2111 5793 Yonge St., #201 Toronto ON M2M 0A9 <u>fidarezvandel@gmail.com</u>	18
	ROGERS		P.O. Box 9100 TORONTO ON M3C 3P9	43
	Shapiro, J.		796 8 Topham Crescent Richmond Hill ON L4C 9G2	
	Shapiro, J.		8 Topham Crescent Richmond Hill ON L4C 9G2	
	SIMPLEHUMAN CANADA	Jason Leo	19850 Magellan Drive Torrance CA 90502 USA Fax: (310) 538-9196 <u>jleo@simplehuman.com</u>	16,71
	SPECTRUM DIVERSIFIED DESIGNS	Brian Mcsenger	675 Mondial Pkwy Streetsboro CA 44241 USA	76,25
	THE ONEIDA GROUP		519 NORTH PIERCE AVENUE LANCASTER OH 43130 USA	6,03

Creditor Mailing List

In the matter of the proposal of
1348441 Ontario Inc. o/a Solutions Your Organized Living Store
of the city of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	Clai
Unsecured	TRAVELON	Suzanne Dzedlife	11333 Addison Avenue, Unit 200 Franklin Park IL 60131 USA suzanne@travelonbags.com	7,52
	TRUDEAU CORP		1600 EIFFEL ROAD BOUCHERVILLE QC J4B 5Y1	4,96
	UPPER CANADA SOAP	Margaret Persaud	5875 CHEDWORTH WAY MISSISSAUGA ON L5R 3L9 Fax: (905) 897-1469 mpersaud@uppercanadasoap.com	9,82
	VANCOUVER CLASSIC		180-12340 HORSESHOE WAY RICHMOND BC V7A 4Z1	43,56
	W.J. HAGERTY & SONS, LT	Deborah Haggerty	83454 3801 LINDEN AVENUE SOUTH BEND IN 46619 USA Fax: (574) 288-4994 deborah.haggerty@hagertyusa.com	17,061
	WASTE CONNECTIONS OF CANADA		650 CREDITSTONE ROAD CONCORD ON L4K 5C8	1,143
	WESTSTAR PRINTING LIMITED		10 NORTH QUEEN STREET ETOBICOKE ON M8Z 2C4	736
	WHITMOR INC.		8680 SWINNEA ROAD, D STE 103 SOUTHAVEN MS 38671 USA	19,694
	WINSOME TRADING INC		4652 108-8116 ALEXANDER ROAD DELTA BC V4G 1C6 Fax: (604) 946-5899 scotlc@winsomewood.com	8,729
	WORLDWIDE HOMEFURNI		200 ROMINA DRIVE CONCORD ON L4K 4Z7	1,130
	Younus, M.		2510 1318 Chee Chee Landing Milton ON L9E 1L2 MUDDASSIRY@GMAIL.COM	
	Zarate, D.		6012	2,016.
			...	

7/21/2020

Dodick Landau Inc. Mail - 1348441 Ontario Inc. o/a Solutions Your Organized Living Store

**DODICK
LANDAU**

Brenda McKnight <brenda.mcknight@dodick.ca>

1348441 Ontario Inc. o/a Solutions Your Organized Living Store

1 message

Brenda McKnight <brenda.mcknight@dodick.ca>

Tue, Jul 21, 2020 at 2:15 PM

Bcc: Rick Walia <rickwalia@solutions-stores.ca>, livbowes@hotmail.com, kimcoghlan5@hotmail.com, blake.cole@live.ca, jrcurtis@live.ca, david_j_davidson@hotmail.com, joy.andressa@hotmail.com, s.demedeiros@rogers.com, ginny.doyle@hotmail.com, diana.fry@hotmail.com, plhck@icloud.com, cassjohnstone2320@gmail.com, ajdjottawa@rogers.com, koushamahdavi2018@gmail.com, Camille Larivière <clari048@uottawa.ca>, nancylawrance@gmail.com, myfami2528@yahoo.com, kalleymartz@gmail.com, britamistry7@gmail.com, mhoeiker@gmail.com, lazyprogrammer9033@gmail.com, erneta@bell.net, meganradix@gmail.com, Cassandra.treid@gmail.com, lidarezvandel@gmail.com, shaya007.mahdavi@gmail.com, Emma Snider <emma.snider@rogers.com>, ssnider@rogers.com, thompsonkate876@gmail.com, zadra.yazdanpanah77@gmail.com, muddassiry@gmail.com, Brenda McKnight <brenda.mcknight@dodick.ca>

Good afternoon:

Attached please find the Notice of Hearing for Court Approval of the Proposal for Solutions Your Organized Living Store.

As you know, the creditors, at the meeting held on June 26, 2020 approved the proposal. This hearing is the next step towards full approval, the Court must look at the proposal and give their approval.

Legal counsel will attend a video conference with a Judge in the Superior Court of Justice, Bankruptcy and Insolvency.

There is no requirement to attend. However, if you elect to do so, please call me and give your name and contact information. I will forward a list to legal counsel and they will contact you with the details.

Kind regards,

Brenda McKnight
Estate Administrator
Dodick Landau Inc.
416-645-0542

 Form 40.1_Ntc Hearing App for Court Approval of Proposal_1348441 Ontario Inc. oa Solutions.pdf
24K

7/21/2020

Dodick Landau Inc. Mail - Delivery Status Notification (Failure)

**DODICK
LANDAU**

Brenda McKnight <brenda.mcknight@dodick.ca>

Delivery Status Notification (Failure)

1 message

Mail Delivery Subsystem <mailer-daemon@googlemail.com>
To: brenda.mcknight@dodick.ca

Tue, Jul 21, 2020 at 2:16 PM

**Address not found**

Your message wasn't delivered to
koushamahdavi2018@gmail.com because the address
couldn't be found, or is unable to receive mail.

LEARN MORE*Replaced
by
mail*

The response was:

550 5.1.1 The email account that you tried to reach does not exist. Please try double-checking the recipient's email address for typos or unnecessary spaces. Learn more at https://support.google.com/mail/?p=NoSuchUser_s13sor2749710wrp.26 - gsmtpl

Final-Recipient: rfc822; koushamahdavi2018@gmail.com

Action: failed

Status: 5.1.1

Diagnostic-Code: smtp; 550-5.1.1 The email account that you tried to reach does not exist. Please try

550-5.1.1 double-checking the recipient's email address for typos or

550-5.1.1 unnecessary spaces. Learn more at

550 5.1.1 https://support.google.com/mail/?p=NoSuchUser_s13sor2749710wrp.26 - gsmtpl

Last-Attempt-Date: Tue, 21 Jul 2020 11:16:01 -0700 (PDT)

----- Forwarded message -----

From: Brenda McKnight <brenda.mcknight@dodick.ca>

To: undisclosed-recipients::

Cc:

Bcc: koushamahdavi2018@gmail.com

Date: Tue, 21 Jul 2020 14:15:48 -0400

Subject: 1348441 Ontario Inc. o/a Solutions Your Organized Living Store

----- Message truncated -----

7/21/2020

Dodick Landau Inc. Mail - Delivery Status Notification (Failure)

**DODICK
LANDAU**

Brenda McKnight <brenda.mcknight@dodick.ca>

Delivery Status Notification (Failure)

1 message

Mail Delivery Subsystem <mailer-daemon@googlemail.com>
To: brenda.mcknight@dodick.ca

Tue, Jul 21, 2020 at 2:16 PM

**Address not found**

Your message wasn't delivered to zadra.yazdanpanah77@gmail.com because the address couldn't be found, or is unable to receive mail.

LEARN MORE*Replaced
by
mail*

The response was:

550 5.1.1 The email account that you tried to reach does not exist. Please try double-checking the recipient's email address for typos or unnecessary spaces. Learn more at https://support.google.com/mail/?p=NoSuchUser_y7sor6570128wrm.34 - gsmtip

Final-Recipient: rfc822; zadra.yazdanpanah77@gmail.com

Action: failed

Status: 5.1.1

Diagnostic-Code: smtp; 550-5.1.1 The email account that you tried to reach does not exist. Please try

550-5.1.1 double-checking the recipient's email address for typos or

550-5.1.1 unnecessary spaces. Learn more at

550 5.1.1 https://support.google.com/mail/?p=NoSuchUser_y7sor6570128wrm.34 - gsmtip

Last-Attempt-Date: Tue, 21 Jul 2020 11:16:01 -0700 (PDT)

----- Forwarded message -----

From: Brenda McKnight <brenda.mcknight@dodick.ca>

To: undisclosed-recipients;

Cc:

Bcc: zadra.yazdanpanah77@gmail.com

Date: Tue, 21 Jul 2020 14:15:48 -0400

Subject: 1348441 Ontario Inc. o/a Solutions Your Organized Living Store

----- Message truncated -----

7/21/2020

Dodick Landau Inc. Mail - Delivery Status Notification (Failure)

**DODICK
LANDAU**

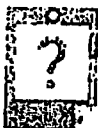
Brenda McKnight <brenda.mcknight@dodick.ca>

Delivery Status Notification (Failure)

1 message

Mail Delivery Subsystem <mailer-daemon@googlemail.com>
To: brenda.mcknight@dodick.ca

Tue, Jul 21, 2020 at 2:16 PM

**Address not found**Your message wasn't delivered to erneta@bell.net because the address couldn't be found, or is unable to receive mail.

The response from the remote server was:

550 Invalid recipient: <erneta@bell.net>

Final-Recipient: rfc822; erneta@bell.net
Action: failed
Status: 5.0.0
Remote-MTA: dns; mxmla.owm.bell.net. (184.150.200.210, the server for the domain bell.net.)
Diagnostic-Code: smtp; 550 Invalid recipient: <erneta@bell.net>
Last-Attempt-Date: Tue, 21 Jul 2020 11:16:02 -0700 (PDT)*Resolved e.
Re Sent.
see attch*

----- Forwarded message -----

From: Brenda McKnight <brenda.mcknight@dodick.ca>

To: undisclosed-recipients::

Cc:

Bcc: erneta@bell.net

Date: Tue, 21 Jul 2020 14:15:48 -0400

Subject: 1348441 Ontario Inc. o/a Solutions Your Organized Living Store

----- Message truncated -----

7/21/2020

Dodick Landau Inc. Mail - 1348441 Ontario Inc. o/a Solutions Your Organized Living Store

**DODICK
LANDAU**

Brenda McKnight <brenda.mcknight@dodick.ca>

1348441 Ontario Inc. o/a Solutions Your Organized Living Store

1 message

Brenda McKnight <brenda.mcknight@dodick.ca>

Tue, Jul 21, 2020 at 2:17 PM

To: Ermeta Pierre <ermeta@bell.net>

Good afternoon:

Attached please find the Notice of Hearing for Court Approval of the Proposal for Solutions Your Organized Living Store.

As you know, the creditors, at the meeting held on June 26, 2020 approved the proposal. This hearing is the next step towards full approval, the Court must look at the proposal and give their approval.

Legal counsel will attend a video conference with a Judge in the Superior Court of Justice, Bankruptcy and Insolvency.

There is no requirement to attend. However, if you elect to do so, please call me and give your name and contact information. I will forward a list to legal counsel and they will contact you with the details.

Kind regards,

Brenda McKnight
Estate Administrator
Dodick Landau Inc.
416-645-0542

 Form 40.1_Ntc Hearing App for Court Approval of Proposal_1348441 Ontario Inc. oa Solutions.pdf
28K

TAB 4

Court File No. 32-2634165

Estate File No. 32-2634165

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
(COMMERCIAL LIST)

THE HONOURABLE MADAM)	TUESDAY, THE 11 TH
)	
JUSTICE CONWAY)	DAY OF AUGUST, 2020

IN THE MATTER OF THE *BANKRUPTCY AND*
***INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

IN THE MATTER OF THE PROPOSAL OF 1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO

ORDER
(Re Approval of Proposal)

THIS MOTION, made by Dodick Landau Inc., in its capacity as proposal trustee (the “**Proposal Trustee**”) of 1348441 Ontario Inc. operating as Solutions Your Organized Living Store (“**Solutions**” or the “**Debtor**”) made pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”) was heard this day by video conference due to the COVID-19 crisis.

ON READING the Notice of Motion, the First Report of the Proposal Trustee dated April 20, 2020 (the “**First Report**”), the Report on Proposal of the Proposal Trustee dated June 16, 2020 (the “**Report on Proposal**”), and the Third Report of the Proposal Trustee dated August 7, 2020 (the “**Third Report**”), and the appendices thereto, and on hearing the submissions of counsel for the Proposal Trustee, counsel for Solutions and counsel for those other parties in attendance, no one appearing for any other person on the Service List although

properly served as appears from the Affidavit of Service of Connie Deng sworn August 7, 2020 and filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the supporting materials herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
 2. **THIS COURT ORDERS** that the proposal attached hereto as Schedule “A” to this Order, be and is hereby approved.
 3. **THIS COURT ORDERS** that Solutions and the Proposal Trustee are authorized to take all steps and actions necessary or appropriate to implement the proposal in accordance with its terms.
 4. **THIS COURT ORDERS** that the First Report, the Report on Proposal, and the Third Report, as well as the conduct and activities of the Proposal Trustee as described therein, be and are hereby approved. Only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
 5. Given the inability to enter Court Orders at this time, this Order is in effect immediately.
-

**IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED**

**IN THE MATTER OF THE PROPOSAL OF 1348441 ONTARIO INC.
OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

MOTION RECORD

WEISZ FELL KOUR LLP
100 King Street West, Suite 5600
Toronto, ON M5X 1C9

Sharon Kour
LSO No. 58328D
skour@wfkaw.ca
Tel: 416.613.8283

Christopher McGoey
LSO No. 79679K
cmgoey@wfkaw.ca
Tel: 416.613.8284

Fax: 416.613.8290

Lawyers for the Proposal Trustee