



SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

**ENDORSEMENT**

COURT FILE NO.: BK-23-02946534-0031 DATE: June 23, 2023

NO. ON LIST: 3

TITLE OF PROCEEDING: **Proposal of Nanopay Corporation**

BEFORE: **Mr Justice OSBORNE**

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party:**

Name of Person Appearing	Name of Party	Contact Info
Kenneth Kraft / Sara-Ann Wilson	Nanopay Corporation	<a href="mailto:kenneth.kraft@dentons.com">kenneth.kraft@dentons.com</a> / <a href="mailto:sara.wilson@dentons.com">sara.wilson@dentons.com</a>

**For Defendant, Respondent, Responding Party:**

Name of Person Appearing	Name of Party	Contact Info

**For Other, Self-Represented:**

Name of Person Appearing	Name of Party	Contact Info
Rahn Dodick	Dodick Landau Inc., the Proposal Trustee (Self)	<a href="mailto:rahn.dodick@dodick.ca">rahn.dodick@dodick.ca</a>
R. Graham Phoenix / Shahrzad Hamraz	Dodick Landau Inc., the Proposal Trustee	<a href="mailto:gphoenix@loonix.com">gphoenix@loonix.com</a> / <a href="mailto:shamraz@loonix.com">shamraz@loonix.com</a>

Danish Afroz / Harvey Chaiton	DIP Lender	<a href="mailto:DAfroz@chaitons.com">DAfroz@chaitons.com</a> / <a href="mailto:harvey@chaitons.com">harvey@chaitons.com</a>
David Kay	Ao8 Strategic Advisors, Chief Restructuring Officer	<a href="mailto:dkay@Ao8Advisors.com">dkay@Ao8Advisors.com</a>

## **ENDORSEMENT**

[1] On June 16, I granted certain relief in this matter including the granting of a DIP Lender's Charge up to the maximum amount of \$2 million plus interest, fees and costs pursuant to section 50.6 of the BIA. That relief was granted for the reasons set out in my Endorsement of that date.

[2] However, given the short service of the motion materials, particularly with respect to the secured creditor being the Government of Ontario, I directed both that in the interim period until the return of the matter today, advances under the DIP Loan Facility could not exceed \$275,000 in the aggregate, being the amount necessary to sustain operations in the interim. And to satisfy obligations for payroll and source deductions, and I directed that the motion materials be served immediately on all parties, and made returnable today.

[3] Today, the Proposal Trustee seeks authority for advances under the DIP Loan Facility up to the maximum principal amount of \$2 million.

[4] All parties, including for greater certainty the Province of Ontario, the only secured creditor, have been served. There is no opposition today. The prior lender in respect of the loan in the amount of \$37,500 does not oppose the relief sought.

[5] In the circumstances, and for the reasons set out in the motion materials from June 16 as well as the materials filed today, the authorization is appropriate and is granted.

[6] This matter is adjourned to be continued at a one-hour appointment **via Zoom on July 28, 2023 commencing at 12 PM noon**, in order that the court can consider a motion for an expected stay extension with possible other relief.




---

**Mr Justice OSBORNE**

Date: June 23 23

