Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

and

JBT TRANSPORT INC., WAYDOM MANAGEMENT INC., MELAIR MANAGEMENT INC., HERITAGE TRUCK LINES INC., DRUMBO TRANSPORT LIMITED, HERITAGE NORTHERN LOGISTICS INC., and HERITAGE WAREHOUSING & DISTRIBUTION INC.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended

SUPPLEMENTARY APPLICATION RECORD

February 25, 2025

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Lawyers for The Toronto-Dominion Bank

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TAB 1

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SUPPLEMENTAL AFFIDAVIT OF DARYL COELHO
(Sworn February 25, 2025)

February 25, 2025

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TO: **THE SERVICE LIST**

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SUPPLEMENTAL AFFIDAVIT OF DARYL COELHO
(Sworn February 25th 2025)

I, DARYL COELHO, of the City of Toronto in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

I. OVERVIEW

1. I am employed by The Toronto-Dominion Bank (the "**Bank**") as a Director in the Bank's Financial Restructuring Group, and as such have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary these matters are within my own knowledge and are true. Where I have indicated that I have obtained facts from other sources, I have identified the source and I believe those facts to be true.

2. I swear this supplemental affidavit in support of the Bank's application to appoint BDO Canada Limited ("**BDO**") as receiver and manager over JBT Transport Inc. ("**JBT**"), Waydom Management Inc. ("**Waydom**"), Melair Management Inc. ("**Melair**"), Heritage Truck Lines Inc., Drumbo Transport Ltd., Heritage Northern Logistics Inc., and Heritage Warehousing & Distribution Inc. (collectively, the "**Debtors**") and their property.

3. I also make this in response to the Debtors' application for relief under the *Companies' Creditors Arrangement Act* ("**CCAA**"). In that regard, I have reviewed the affidavits of Denis Medeiros, sworn February 6, 2025 (the "**First Medeiros Affidavit**"), February 8, 2025 (the "**Medeiros Reply Affidavit**") and February 24, 2025 (the "**Second Medeiros Affidavit**").

4. This supplemental affidavit ought to be read in conjunction with my main affidavit sworn on February 7, 2025 (the "**First Coelho Affidavit**"). A copy of the First Coelho Affidavit, without exhibits, is attached hereto as **Exhibit "A"**.

II. THE BANK'S POSITION

5. In short, the Bank maintains its position that, in light of the extensive time and flexibility afforded to the Debtors from October 2023 to January 2025, it should be permitted to proceed with its application to appoint BDO as the receiver for the Debtors.

6. The Bank continues to have serious concerns about the erosion of its security, particularly if court-ordered charges continue to be imposed in priority to the Bank under the Debtors' proceedings under the *Companies' Creditors Arrangement Act* ("**CCAA**"). As noted below, the Bank has concerns about the Debtors' cash flow projections, the structure of the proposed SISP and the Stalking Horse Agreement, all of which lead the Bank to the conclusion that it will be materially prejudiced under the Debtors' CCAA proceedings.

III. DISCUSSIONS BETWEEN THE BANK AND THE DEBTORS

7. Following the parties' appearance before Justice Kimmel on February 10, 2025, the Debtors and the Bank have engaged in various without prejudice discussions. While Mr. Medeiros has described his perspective on those discussions at paragraphs 7 to 16 of the Second Medeiros Affidavit, I disagree with some of his comments.

8. Without breaching settlement privilege, I confirm the Debtors did provide the Bank with a draft analysis of a proposed stalking horse bid (the "**Draft Analysis**"). The Bank reviewed the Draft Analysis in good faith, with a view to a possible resolution of the competing applications.

9. While the Draft Analysis did provide a framework that the Bank considered a possible start to further discussions, it was clear that the potential recovery for the Bank was variable and

did not offer the Bank any sense of a "baseline" cash recovery. The parties were not able to reach an agreement on this point. From the Bank's perspective, the quantum of its possible recovery is a significant issue in light of the Bank's material concerns about the erosion of its security (as noted in the First Coelho Affidavit). As a result, the Bank could not reasonably determine whether the Draft Analysis offered a recovery scenario that would be superior to a liquidation scenario.

10. Although good faith efforts were made to mollify the Bank's concerns, unfortunately, the Bank was unable to reach an agreement with the Debtors.

IV. BANK'S CONCERNS WITH THE SISP AND SHSA

A. Melair Should Not Be in CCAA

11. As previously detailed in the First Coelho Affidavit, Melair owns real property located at 425 Melair Drive, Ayr, Ontario (the "**Melair Property**").

12. The Bank provided two loan facilities, defined at paragraph 26 of the First Coelho Affidavit as Facilities 30 and 31 (the "**Melair Mortgage Loans**"), in relation to Melair's purchase of the Melair Property and its assumption of an existing mortgage over the Melair Property.

13. As of January 15, 2025, when demand was made, approximately $8,224,348.22 was owing from Melair to the Bank in respect of the Melair Mortgage Loans, of a total of approximately $16,190,972.66 CAD and $50,000 USD owing by the Debtors to the Bank, exclusive of professional, interest and other fees.

14. As detailed at paragraph 39 of the First Coelho Affidavit, as security for the Melair Mortgage Loans (along with all of the Debtors' indebtedness to the Bank, as all of the

Debtors are cross-guaranteed and cross-collateralized), Melair granted the Bank a charge (the "**Mortgage**") against the Melair Property. The Mortgage was registered against the Melair Property as WR1565776 on April 5, 2024. Attached hereto as **Exhibit "B"** is a copy of the parcel registry for the Property. Attached hereto as **Exhibit "C"** is a copy of registration WR1565776.

15. The Mortgage is in the principal amount of $12,200,000 and incorporates standard charge terms 8520 ("**SCT 8520**"). A copy of SCT 8520 is attached hereto as **Exhibit "D"**.

16. Section 8 of SCT 8520 states that, upon Melair's default of any covenant in SCT 8520, the Bank is entitled to appoint in writing a receiver who is empowered to take possession of the Melair Property, collect rents and profits, and otherwise realize upon the Melair Property.

17. Pursuant to Section 3(a) of SCT 8520, Melair covenanted to pay the Indebtedness on demand. Melair has failed to do so despite the Bank's demands.

18. I am advised by the Bank's counsel, Miller Thomson LLP, and do verily believe, that the Mortgage is a first-ranking charge against the Melair Property.

19. While Melair is listed as a party to the Stalking Horse Subscription Agreement ("**SHSA**"), the Melair Property itself is expressly identified as an Excluded Asset in Section 2.2 and Schedule 2.2 of the SHSA.

20. From a review of the First Medeiros Affidavit, the Melair Financial Statements, and based on my knowledge of the Debtors' business structure through my dealings with the Debtors, Melair has no assets or operations outside of its ownership of the Melair Property. The First Medeiros Affidavit also states that Melair does not have any employees. As a result, there

are no employee or customer stakeholders with an interest in the treatment of the Melair Property in these CCAA Proceedings.

21. As a result, although Melair is a party to the SHSA, its sole asset is not.

22. The exclusion of the Melair Property from the SHSA indicates that the Debtors and the Stalking Horse Bidder, as defined in the Second Medeiros Affidavit, do not believe that the Melair Property is required for the purposes of conducting a going-concern sale of the Debtors' business.

23. I also note that the Second Medeiros Affidavit is silent on any form of marketing or sales process for the Melair Property.

24. As a result, it is clear to me that there is no reason for the Melair Property to be encumbered by the Administration Charge and the DIP Charge given that the Melair Property is now, for all practical purposes, excluded from these CCAA Proceedings.

25. Further, it is the Bank's view that the Melair Property should be excluded from these CCAA Proceedings. This Court ought to allow the Bank to appoint BDO as receiver and manager over Melair, among other things, to allow BDO to efficiently market the Melair Property for the benefit of its stakeholders. This would allow the Bank to market the Melair Property in a cost effective manner and maximize its potential recovery outside the constraints and higher costs of a CCAA proceeding.

B. Purchase Price is Not Set Out

26. I also have broader concerns arising from my review of the proposed SHSA attached as Exhibit B to the Second Medeiros Affidavit.

27. In looking at Section 3.1 of the SHSA (which addresses the Purchase Price), I see that the Cash Consideration of approximately $4,917,497.04 is comprised of:

    (a) $3,439,000 of cash payments which have been specifically enumerated; and

    (b) the balance being cash amounts sufficient to satisfy various variable aspects of the transaction, such as Cure Costs, the Priority Payment Amount and the Administrative Expense Amount. I note that the analysis provided by the Debtors to the Bank, as set out in paragraph 54 of the Second Medeiros Affidavit, did not include these concepts in the Cash Consideration.

28. The latter components of the Cash Consideration are of concern to the Bank as, to reiterate my point above, it has no way of determining what these amounts are with any certainty until the closing. The Second Medeiros Affidavit does not provide any details for these amounts (approximate or otherwise) to allow for any reasonable assessment. Clearly, these amounts are variable and will further erode the Bank's potential recovery under the SHSA. It seems unreasonable to require the Bank to accept the indeterminate recovery available under the SHSA, especially when the Bank is not otherwise being provided with any visibility into the SISP.

29. The same issue arises in respect to the amount payable for "Accounts Receivable". Putting aside the fact that the Stalking Horse Bidder would only be purchasing the accounts receivable at a discount of 43 percent (the rationale for this is not disclosed), this amount

will, inevitably, be a moving target as well. While the Bank is well aware that accounts receivable will continue to fluctuate during the operation of the business, it is the Bank's view that the Debtors are attempting to use the SHSA as a mechanism to further reduce the Bank's recoveries in a finite way while acquiring the potential upside that more than 43 percent of the accounts receivables will be collectible. This, in the Bank's view, is prejudicial to the Bank.

30. In respect of the balance of the Purchase Price, it is not clear whether the DIP Term Sheet obligations will be credit bid by the DIP Lender (as suggested by Section 3.1(b) of the SHSA) or assumed by the Stalking Horse Purchaser (as suggested by Section 3.1(c) of the SHSA). It is also unclear how much of the DIP facility will actually be drawn as of the closing date, as the cash flow forecast (the "**Cash Flow Forecast**") included as Appendix "C" to the Monitor's pre-filing report, dated February 8, 2025 (the "**Pre-Filing Report**") indicates that only $80,000 will be outstanding on the DIP facility as of April 19, 2025.

31. As a result, it is impossible for the Bank to properly analyze the reasonableness of the SHSA or ascertain what its anticipated recovery would be under the SHSA.

C. Purpose of Break Fee is Unclear

32. The Second Medeiros Affidavit does not provide any rationale for the necessity or utility of the Break Fee. I am advised by BDO that break fees are typically used in two scenarios. The first is to cover the stalking horse purchaser's due diligence costs in the event that another bidder is successful, thus rendering the due diligence useless. The second is to provide the stalking horse bidder with some return on capital that is "tied up" during the duration of the SISP while the capital is being held for the future purchase price.

33. In my view, neither scenario is present here.

34. First, the Stalking Horse Bidder is comprised of the Debtors' current owners and senior management. Based on their own knowledge of the business, there is no need for any due diligence. Further, the Stalking Horse Bidder does not appear to be represented by separate counsel from the Debtors.

35. Second, the Stalking Horse Bidder also appears to be "tying up" no more than $250,000 of its own funds during the SISP – those funds being the DIP Facility. As discussed below, it is the Bank's understanding that the Stalking Horse Bidder intends to finance the balance of the Cash Consideration. It is also my understanding that the Stalking Horse Bidder has not yet lined up financing. As those funds are not currently available and are not being tied up, there appears to be no substantive basis for the Break Fee.

D. Large Minimum Overbid

36. The Bank also has concerns with the SISP's other overbid requirements. These requirements, set out at section 24(c)(iv) of the SISP, include requiring that any other bid:

(a) Provide cash in an amount equal to the Cash Consideration ($4,917,497.04) plus the DIP Credit Bid Consideration (up to $250,000), for a total of $5,167,497.04;

(b) A minimum overbid increment of $125,000 (the "**Minimum Bid Increment**");

(c) An undefined administrative reserve sufficient for the Monitor to wind down these CCAA Proceedings (the "**Administrative Reserve**"); and

(d) A $65,000 Break Fee (collectively, the "**Overbid Requirement**").

37. After factoring in these required components, the Bank has estimated that the amount that a successful bidder would have to bid is at least $5,357,497.04, exclusive of the

Administrative Reserve. I am advised by BDO that a reasonable Administrative Reserve could range between $50,000 and $100,000, with the result that a third-party bidder would have to bid, at minimum, $5,407,497.04 to $5,457,497.04 – representing a $490,000 to $540,000 cash increase over the Stalking Horse Bidder's proposed Cash Consideration.

38. I further note that the "Cash Consideration" as defined in the SHSA (e.g. the $4,917,497.04) is inclusive of an "Administrative Expense Amount", which is defined in the SHSA in a substantively similar manner to the Administrative Reserve. As a result, the Stalking Horse Bidder is bidding $4,917,497.04 inclusive of the Administrative Expense Amount, while any other bidder is required to bid, at a minimum, $4,917,497.04 plus the Administrative Reserve, plus the other Overbid Requirements. Therefore, the delta between the amount of the SHSA Cash Consideration that will be available to stakeholders and the Overbid Requirement is even greater than the $490,000 to $540,000 set out above.

39. Further, no evidence has been provided to explain the rationale that allows the Stalking Horse Bidder to only provide a 5% deposit in the form of a DIP Facility (namely, $250,000) on which the DIP Lender (one of the constituents of the Stalking Horse Bidder) is paid 10% interest, while all other bidders are required, by section 24(c)(vii) of the SISP to provide a 10% cash deposit on which no interest is being offered.

40. I further note that no evidence was provided to explain why $125,000 is considered the appropriate Minimum Overbid Increment.

E. No Indication of Stalking Horse Bidder's Ability to Close

41. The Second Medeiros Affidavit does not include any evidence as to the Stalking Horse Bidder's financial ability to close the SHSA transaction. The Bank is concerned that if the SHSA is approved as the "Stalking Horse Bid", there is a real risk that the SHSA will "chill

the market" because of the Overbid Requirement, only to not receive the benefit of the stability that a stalking horse bid is supposed to offer because the Stalking Horse Bidder fails to acquire the cash it needs to close.

42. The SISP requires, at paragraph 24(c)(viii), that bids include "written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction…that will allow the Monitor to make a determination as to the bidder's financial and other capabilities to consummate the proposed transaction" (the "**Financial Disclosure Requirement**").

43. The Second Medeiros Affidavit does not include any evidence of the Stalking Horse Bidder having satisfied the Financial Disclosure Requirement and does not include any evidence of the Monitor having been provided with any financial disclosure or otherwise being satisfied with the Stalking Horse Bidder's ability to consummate the SHSA transaction.

44. One of the Bank's major concerns is the Stalking Horse Bidder's ability to raise financing – even an amount insufficient to pay out the Bank – in light of the Debtors' previous efforts as outlined in my prior affidavit (see paragraphs 71 to 86 of the First Coelho Affidavit).

45. To summarize my prior discussion of the Debtors' prior efforts, the Debtors first advised the Bank of their intention to refinance the Line of Credit (defined below) in early October 2024, with the objective of executing a binding commitment letter by end of October 2024 and closing a refinancing transaction with sufficient funds to payout the Bank in full by early November 2024.

46. These dates continued to slip, with closing pushed to mid-December 2024, and then January 31, 2025, and then an indeterminate date in the future. Additionally, the

refinancing proceeds continued to shrink. Initially, no Bank shortfall was projected. However, the Bank was subsequently told that the proposed refinancing would result in a $250,000 shortfall that would be covered by the Debtors' principals (in essence, Mr. Medeiros and Mr. Bowman). The shortfall later blossomed to a $750,000 shortfall, even with a cash injection of up to $500,000 from the Debtors' principals.

47. The Bank has made inquiries of the Stalking Horse Bidder's ability to consummate the SHSA transaction of the Debtors' counsel. On February 24, 2025, Counsel to the Debtors advised that the Stalking Horse Bidder is in the process of "speaking with" an indeterminate number of potential lenders. Therefore, as of February 24, 2025, the Debtors are unable to satisfy the Financial Disclosure Requirement. A copy of correspondence between counsel to the Bank and to the Debtors, dated February 24, 2025, is attached as **Exhibit "E"** hereto.

48. Additionally, the Second Medeiros Affidavit does not identify any licenses, complex intellectual property, or other attributes that can only be conveyed through a "reverse-vesting transaction." As a result, the Bank is concerned that there is a risk of the Court refusing to grant a reverse vesting order in the event that the SHSA is deemed to be the "Successful Bid", resulting in the loss of all efforts invested in the SISP.

F. SISP Does Not Provide Bank with Visibility into Process

49. The SISP Procedures do not include any provision for the Bank to have visibility into the SISP. The SISP does not contemplate the Bank being given consent or even consultation rights, notwithstanding that the Bank is the Debtors' senior secured creditor.

50. As set out in the Second Medeiros Affidavit, draft SISP Procedures were provided to the Bank's counsel on Sunday, February 24, 2025, slightly over 24 hours prior to the Debtors serving their motion record.

51. The decision to not provide the Bank with visibility into the SISP further compounds the Bank's overall concerns with the Debtors' restructuring efforts. The Bank stands to lose the most in the circumstances and yet, the Debtors have completely excluded the Bank.

V. CONCERNS WITH CASH FLOW FORECAST

52. The Bank has had the opportunity to review the Cash Flow Forecast.

53. The Bank has a number of concerns with the assumptions and qualifications built into the Cash Flow Forecast.

54. The Cash Flow Forecast shows a marked increase in total receipts beginning at the week ending March 1. The Cash Flow Forecast does not provide any basis for this assumption.

55. Furthermore, although cash receipts increase from March 1 onwards, cash disbursements generally remain flat. The Cash Flow Forecast does not provide any explanation for why cash disbursements remain flat while receipts increase nor does it provide any insight into the expected customer and supplier payment terms considered in the cash flow. Given the nature of the Debtors' trucking business, I would expect that disbursements related to payments to carriers and fuel would increase in proportion to the amount of goods being carried overall.

56. As discussed in the First Coelho Affidavit, the Debtors have a history of providing positive future projections for earnings, only to fall short. I am advised by Josie Parisi of BDO (who has been involved as the Bank's financial advisor since September 23, 2024) and believe

that BDO often found that the financial information provided to the Bank by the Debtors was frequently inaccurate and required a great deal of follow up. The Bank is concerned that the Cash Flow Forecast is also reflective of this. This concern is highlighted by the fact that the Debtors' projected receipts rise, while disbursements remain flat.

VI. DEBTOR'S CONTINUED USE OF THE LINE OF CREDIT

57. As discussed at paragraphs 20 and 21 of the First Coelho Affidavit, the Debtors have a "Line of Credit" with the Bank. The Line of Credit's borrowing limit is determined by a borrowing base formula (the "**Borrowing Base Formula**") that limits outstanding advances to the lesser of:

(a) $5,098,410 (or its USD equivalent) (the "**Upper Bound**"); and

(b) The total of:

(I) 85% of Government/Investment Grade Accounts Receivable, net of any accounts over 90 days;

(II) 80% of all other Accounts Receivable, net of any accounts over 90 days, contras, related parties, and owner/operator payables > 31 days, Broker Payables, and statutory payables (wages payable, WSIB, CPP, EI, etc); and

(III) 100% of USD credit balances up to a maximum CAD equivalent of $1,000,000 (collectively, the "**Lower Bound**").

58. Prior to the Bank and the Debtors' agreement on February 12, 2025, the Upper Bound was $5.2 million.

59. The Debtors' current accounts are, in standard practice, included in the Debtors' borrowing base. This is the case regardless of whether the current accounts are deposited with the Bank as the Bank is fully secured over all of the Debtors' property.

60. The result is that the disbursement of funds from the Debtors' current accounts with the Bank worsens the Debtors' borrowing base and can result in borrowing base defaults. Even

though the Debtors are not making a draw on the Line of Credit itself, by using their cash they are, in effect, reducing the Bank's borrowing base and thereby increasing their indebtedness to the Bank.

61. In the event that the Upper Bound is exceeded, the Bank's practice is to request that the Debtors transfer cash from their deposit accounts to the Line of Credit.

62. The Debtors have, since filing for NOI protection on January 24, 2025, continued to use the cash in their current accounts, with the effect that they have triggered post-NOI filing borrowing base defaults by causing their borrowing position to exceed the Line of Credit limit.

63. These payments are summarized in the chart attached as **Exhibit "F"** hereto.

64. Following the parties' appearance before this Court on February 10, 2025, the parties agreed, on February 12, 2025, to "cap" the Line of Credit at $5,098,410. The effect of capping the Line of Credit is that future draws on the Line of Credit are not permitted. Capping the Line of Credit does not have the effect of "freezing" the borrowing base's erosion, as the borrowing base will strengthen or erode based on the Debtors' use of their cash accounts. The only way to stop further borrowing base erosion, and to thus avoid post-filing borrowing base breaches, is to improve the borrowing base.

65. Unfortunately, as shown in the chart above, since February 12, 2025 the Debtors have continued to disburse funds from their deposit accounts with the Bank, with the effect that the Debtors have exceeded the "capped" Line of Credit limit and thus performed further borrowing base defaults.

66. While the amounts involved may seem modest, the Debtors' disregard of their February 12, 2025 agreement to cap the line is consistent with their pre-CCAA Proceedings disregard of their agreements with the Bank, and is emblematic of their conduct which has caused the Bank to lose faith in their management.

VII. RECEIVERSHIP

67. I have discussed the Debtors' financial situation at length with Josie Parisi, a Senior Vice President with BDO. As the Bank's financial advisor in respect to the loans to the Debtors, BDO is well aware of their financial circumstances.

68. Contrary to the comments in the Medeiros Second Affidavit, I am advised by Ms. Parisi and believe that she has not completely ruled out operating the business as a going concern if BDO is appointed as court-appointed receiver. However, until BDO is appointed and understands the Debtors' customer requirements and the profitability of the same, it is difficult to make any determinations. If appointed, BDO would undertake to assess the business with a view to maximizing value to the Bank and the Debtors' various stakeholders as it would in any mandate. To say that the appointment of a receiver would be completely disruptive is untrue – particularly as a receivership process can, where warranted, preserve the going concern value and goodwill of a business as effectively as a debtor-led restructuring.

VIII. CONCLUSION

69. I swear this affidavit in support of a Receivership Order in the form contained at Tab 3 of the Application Record, and in opposition to the Debtors' application under the CCAA and for no other or improper purpose.

SWORN before me at the City of Toronto, in the Province of Ontario, with the deponent in the City of Toronto, in the Province of Ontario, this 25th day of February, 2025 in accordance with O. Reg. 431/20 Administering Oath or Declaration Remotely

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits

MATTHEW CRESSATTI

Signed by:
60C8A6EF015B463...

DARYL COELHO

This is Exhibit "A" referred to in the Affidavit of Daryl Coelho sworn by Daryl Coelho of the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on February 25, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

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AFFIDAVIT OF DARYL COELHO
(Sworn February 7, 2025)

February 7, 2025

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Lawyers for The Toronto-Dominion Bank

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(Sworn February 7th 2025)

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1. I am employed by The Toronto-Dominion Bank (the "**Bank**") as a Director in the Bank's Financial Restructuring Group, and as such have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary these matters are within my own knowledge and are true. Where I have indicated that I have obtained facts from other sources, I have identified the source and I believe those facts to be true.

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4. The Debtors have, in various capacities, been the Bank's customers since 2017, with their current lending relationship beginning in 2021. As of January 15, 2025, when demand was

made, the Debtors' indebtedness to the Bank was approximately $16,190,972.66 CAD and $50,000 USD, exclusive of professional fees (the "**Indebtedness**"). The Debtors are indebted to the Bank through a mortgage facility, a revolving borrowing base working capital facility, defined below as the Line of Credit, various equipment finance loans, a corporate credit card facility, and other lending products.

5. The Bank is the Debtors' senior secured creditor and their largest creditor.

6. The Debtors have been in default of their various loan agreements with the Bank since prior to June 2023. The Bank has agreed to forbear from enforcing on its security since then, with formal forbearance agreements in place beginning April 13, 2024, with forbearance renewals extended on June 26, 2024 and December 13, 2024, notwithstanding that the Debtors were often, if not always, in default of their obligations under these forbearance agreements.

7. The Debtors have consented to the Court's appointment of a receiver.

8. The Bank was previously prepared to work with the Debtors' management towards a mutually-beneficial outcome and has provided forbearances and allowances to that effect.

9. Unfortunately, the Bank has lost confidence in the Debtors' management and no longer believes that the Debtors are acting in good faith towards the Bank. The Debtors have advised the Bank that, contrary to their representations and covenants made in December 2024, they are no longer working towards refinancing the full amount of the Line of Credit with no shortfall to the Bank, but instead, based upon a proposed term sheet from eCapital Commercial Finance Corp ("**eCapital**"), the refinancing would result in a shortfall of at least $750,000 on the Bank.

10. Additionally, following the Bank's delivery of demand letters and notices of intention to enforce security on January 15, 2025, the Debtors have compounded this bad faith by: (i) creating a bank account at the Royal Bank of Canada ("**RBC**"), in breach of the clear terms of their forbearance agreements with the Bank, and (ii) withdrawing over $200,000 from JBT's account with the Bank and depositing it into an RBC account, where the Bank has no visibility into the use of these funds. The Bank is very concerned that it is being forced to act as an involuntary interim lender in these proceedings.

11. Meanwhile, since filing Notices of Intention to Make a Proposal ("**NOIs**") on January 24, 2025, the Debtors have failed to adhere to their reporting obligations to the Bank and have not, as of the time of swearing this Affidavit, provided the Bank with cash flow forecasts, notwithstanding that such forecasts were required to be filed with the Office of the Superintendent of Bankruptcy pursuant to the *Bankruptcy and Insolvency Act* by no later than February 3, 2025. Those cash flow forecasts are referenced in the Debtor's CCAA Application Record.

12. I have reviewed Dennis Medeiros' affidavit of February 6, 2025 (the "**Medeiros Affidavit**") prior to swearing this Affidavit. The Medeiros Affidavit does not dispute that the Bank is the Debtors' senior secured creditor, that the Bank's security is valid and enforceable, or that, notwithstanding the Debtors being in default of their obligations to the Bank since July 2023, the Bank has forborne from enforcing on its security since then, despite ongoing defaults, to give the Debtors the opportunity to restructure their affairs. The Medeiros Affidavit also does not dispute that the Debtors have consented to a receivership by way of the Forbearance Agreements (as defined below).

13. The Medeiros Affidavit does not identify any plan or strategy that the Bank would support. The Medeiros Affidavit instead shows that the Debtors' affairs have continued to deteriorate and that the Debtors seek this Court's authority to pay pre-filing obligations, likely using the $200,000 taken from the Bank, rather than either pay their obligations to the Bank or else allow the Bank to enforce its security.

14. As a result of the foregoing, the Bank requires the urgent appointment of BDO as receiver over the Debtors and their property.

II. THE DEBTORS

15. The Debtors are a group of companies with common management and ownership that operate an integrated transportation and warehousing business, headquartered in Ayr, Ontario, as further set out at paragraph 5 of the Medeiros Affidavit.

16. As is shown in the Debtors' corporate profile reports (attached as Exhibit "B" of the Medeiros Affidavit), each of the Debtors' have outstanding annual return filings.

III. THE LOANS AND SECURITY

A. The Letter of Agreement

17. The Bank advanced nine credit facilities to the Debtors pursuant to the terms of a letter of agreement (the "**Letter of Agreement**") among the Bank and the Debtors dated May 18, 2023. Attached hereto as **Exhibit "A"** is a copy of the Letter of Agreement.

18. The remaining outstanding facilities (collectively, the "**Facilities**") under the Letter of Agreement are as follows:

Facility	Type of Facility	Outstanding indebtedness as of January 14, 2025
10	Line of Credit	$4,716,924.74
18	Term Loan	$1,882,604.74
30 and 31	Melair Mortgage	$8,224,347.48

19. (I note that, as discussed below, there are also Outstanding TD Equipment Finance Loans in the amount of $1,353,317.52 and TD Visa loans of $13,777.77.)

20. Facility 10 is a revolving working capital facility ("**Line of Credit**"), repayable on demand with no fixed term. It initially bore interest at the Bank's prime rate plus 0.50% per annum. The Line of Credit's borrowing limit was determined by a borrowing base formula (the "**Borrowing Base Formula**") that, as of May 18, 2023, limited outstanding advances under the facility to the lesser of:

(a) $7,500,000 (or its USD equivalent) (the "**Upper Bound**"); and

(b) The total of:

(I) 85% of Government/Investment Grade Accounts Receivable, net of any accounts over 90 days;

(II) 80% of all other Accounts Receivable, net of any accounts over 90 days, contras, related parties, and owner/operator payables > 31 days, Broker Payables, and statutory payables (wages payable, WSIB, CPP, EI, etc); and

(III) 100% of USD credit balances up to a maximum CAD equivalent of $1,000,000 (collectively, the "**Lower Bound**").

21. In practice, a borrower in a borrowing base facility will report its accounts receivable to its lender on a fixed period, typically monthly, via a borrowing base certificate. The lender will, in practice, make the full amount of the Upper Bound available to a borrower and then review the borrowing base certificates to ensure that borrowing remained within the Lower Bound. The failure to maintain advances at no greater than the Lower Bound will result in

a default under the relevant loan agreement and is referred to as a "**Borrowing Base Default**".

22. A borrowing base shortfall or default is a monetary default.

23. As set out above, under the Borrowing Base Formula, Broker Payables are deducted from the sum upon which the borrowing base is calculated.

24. The Debtors have not identified any representation from the Bank that the Broker Payables are not deducted from the borrowing base. The requirement to deduct Broker Payables based on the Borrowing Base Formula has been included in every loan agreement the Debtors have signed with the Bank.

25. Facility 18 is a term loan with tranches coming due between December 2025 and May 2028.

26. Facility 30 was provided to assume the existing mortgage on the land known municipally as 425 Melair Drive, Ayr, Ontario (the "**Melair Property**"). Facility 31 was provided to allow Melair to purchase the Melair Property. Facility 30 matures on April 25, 2027 while Facility 31 matures on February 15, 2025.

27. The Letter of Agreement was amended on January 10, 2024 to adjust the interest rate payable on the Line of Credit to the Bank's prime rate plus 2%.

28. As of January 15, 2025, when demand was made, approximately $16,190,972.66 CAD and $50,000 USD, exclusive of professional, interest and other fees, was owing under the Facilities and the Equipment Finance Loans defined below.

B. Equipment Finance Loans

29. The Debtors are also indebted to the Bank pursuant to four equipment finance loans (the "**Equipment Finance Loans**") extended to Heritage Truck, Heritage Warehousing, and JBT Transport. The Bank is currently owed a total of $1,353,317.52 on these Equipment Finance Loans.

C. General Security Agreements

30. Each of the Debtors executed general security agreements (the "**GSAs**") in favour of the Bank that are substantially identical to one another. The Debtors executed the GSAs on the following dates:

(a) April 21, 2017 – Heritage Truck, Drumbo, Heritage Warehousing

(b) January 28, 2021 – JBT, Waydom

(c) February 1, 2022 – Melair, Heritage Northern

31. Copies of the GSAs are attached hereto as **Exhibits "B"** to **"H"**.

32. As set out in Section 1 of each GSA, the GSAs secure all present and after acquired personal property that each Debtor had at the time the GSA was executed or thereafter acquired, including all intangibles, chattel paper and documents of title, deposits and credit balances, books and records, accounts and book debts, equipment, inventory, instruments, securities, real property, and the proceeds thereof (collectively, the "**Collateral**").

33. Pursuant to Section 2 of each GSA, the Bank's security interest in the Collateral "secures the payment and performance of all present and future obligations of the [Debtor] to the Bank".

34. Under Section 11(b) of each GSA, a Debtor's failure to perform any provision of any agreement between such Debtor and the Bank is an "Event of Default" under the GSA.

35. Section 12 of each GSA provides that, upon an Event of Default the Bank may, *inter alia*:

(a) Take such steps as the Bank considers desirable to maintain, preserve or protect the Collateral or its value;

(b) Take possession of the Collateral;

(c) Sell, lease, license or otherwise dispose of the Collateral upon such terms and conditions as the Bank may determine; and

(d) To appoint a receiver or receiver and manager of the Collateral or apply to any court for the appointment of a receiver or receiver and manager.

36. The Bank has registered financial statements as against the Debtors pursuant to the provisions of the *Personal Property Security Act* (Ontario) on April 25, 2017, February 1, 2021 and February 1, 2022 to perfect the Collateral secured by the GSAs.

37. Copies of Ontario Personal Property Security Registration System search results for the Debtors, dated November 25, 2024 and January 19, 2025 are attached as Exhibits "L" through "R" of the Medeiros Affidavit.

38. The Debtors do not dispute that the Bank has first ranking security in respect to the Debtors and is fully secured over all of their present and after-acquired personal property.

D. Real Property Security

39. As further security for the Indebtedness, Melair granted the Bank a charge (the "**Mortgage**") against the Melair Property. The Mortgage was registered against the Melair Property as WR1565776 on April 5, 2024. Attached hereto as **Exhibit "I"** is a copy of the parcel registry for the Property. Attached hereto as **Exhibit "J"** is a copy of registration WR1565776.

40. The Mortgage is in the principal amount of $12,200,000 and incorporates standard charge terms 8520 ("**SCT 8520**"). A copy of SCT 8520 is attached hereto as **Exhibit "K"**.

41. Section 8 of SCT 8520 states that, upon Melair's default of any covenant in SCT 8520, the Bank is entitled to appoint in writing a receiver who is empowered to take possession of the Melair Property, collect rents and profits, and otherwise realize upon the Melair Property.

42. Pursuant to Section 3(a) of SCT 8520, Melair covenanted to pay the Indebtedness on demand. Melair has failed to do so.

43. I am advised by the Bank's counsel, Miller Thomson LLP, and do verily believe, that the Mortgage is a first-ranking charge against the Melair Property.

E. Guarantees

44. Each of the Debtors executed an unlimited guarantee of all of the other Debtors' obligations to the Bank (the "**Omnibus Guarantees**"). The Omnibus Guarantees were each executed on February 1, 2022 and are substantially identical to one another. Copies of the Omnibus Guarantees are attached hereto as **Exhibits "L"** to **"R"**.

45. JBT and Waydom each executed an unlimited guarantee of the other's obligations to the Bank, dated January 28, 2021 (the "**2021 Guarantees**" and together with the Omnibus Guarantees, the "**Guarantees**"). The 2021 Guarantees are substantially identical to one another and to the Omnibus Guarantees. Copies of the 2021 Guarantees are attached hereto as **Exhibits "S"** and **"T"**.

46. Each of the Guarantees contain the following terms:

(a) each Debtor "unconditionally and irrevocably guarantees payment of all debts and liabilities…howsoever incurred of the Customer [defined in each Guarantee as all Debtors other than the guarantor] to the Bank." [Section 1];

(b) each Guarantee is "an unlimited Guarantee and the [Debtor's] liability to the Bank under this Guarantee shall not be limited as to amount." [Section 2];

(c) each Debtor's liability under the Guarantee is "continuing, absolute and unconditional" [Section 4]; and

(d) each Debtor "shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by [another Debtor] when due, the Bank may treat all Obligations as due and payable by the [other Debtors] and may demand immediate payment under this Guarantee of all or some of the Obligations." [Section 6].

47. The effect of the Guarantees is that each Obligor is responsible for each other Obligor's obligations to the Bank.

F. Equipment Finance Security

48. In addition to the GSAs, the Debtors have also executed specific security agreements in favour of the Bank as security for the Equipment Finance Loans (the "**Specific Security Agreements**"). The Specific Security Agreements secure the performance of all of each applicable Debtor's obligations to the Bank, not just those arising from the Equipment Finance Loans. The Specific Security Agreements contain similar covenants and

obligations, including the right to appoint a receiver upon default, as are contained in the GSAs.

49. Copies of the Specific Security Agreements are attached hereto as **Exhibit "U"**.

IV. DEFAULTS AND FORBEARANCE AGREEMENTS

50. The Debtors have been in default of the Letter of Agreement for over 19 months - since June 2023. In an attempt to provide management with the opportunity to restructure the business, the Bank agreed to forbear from its security rights.

51. This forbearance was initially informal, but was eventually formalized pursuant to a Forbearance Agreement executed on April 13, 2024, and extended on June 26, 2024 and December 13, 2024 (collectively, the "**Forbearance Agreements**"). Notwithstanding the Bank's good faith efforts to allow management to resolve these issues on their own, the Debtors have consistently struggled to honour the terms of these Forbearance Agreements. They eventually advised the Bank, in January 2025, that they were no longer able to satisfy the requirements in the most recent Forbearance Agreement.

A. Initial Defaults

52. The Debtors first defaulted on the Letter of Agreement prior to October 16, 2023 by failing to maintain a debt service coverage ratio of 1.20x,[1] creating a borrowing base shortfall ("**Borrowing Base Shortfall**") on the Line of Credit of $909,000, and by failing to honour certain reporting requirements. A copy of the Bank's October 16, 2023 notice of non-compliance is attached hereto as **Exhibit "V"**.

[1] The debt service ratio is calculated by dividing the operating income by the total amount of the debt service due. See Financial Covenant 2 of the Letter of Agreement.

53. The Bank delivered further notices of non-compliance to the Debtors on December 8, 2023 and January 10, 2024, in relation to debt service coverage ratio breaches (in the December 8, 2023 notice) and Borrowing Base Shortfalls (in both). The Borrowing Base Shortfall as of November 30, 2023 was $2,227,000.

54. As mentioned above, Broker Payables are funds collected by the JBT Group as part of its logistics business from customers. These funds are to be held in trust, pursuant to Section 190.0.1(3) of the *Highway Traffic Act*, for the third party carriers that actually haul the goods for the Debtors' customers. Broker Payables are specifically deducted from the borrowing base because those funds do not truly belong to the Debtors.

55. Between December 2023 to March 2024, the Bank has notified the Debtors of significant Borrowing Base Shortfalls in the following amounts:

(a) $2,164,000 as of December 31, 2023;

(b) $2,138,000 as of January 31, 2024;

(c) $1,948,000 as of February 29, 2024; and

(d) $1,773,000 as of March 31, 2024.

56. Attached hereto as **Exhibit "W"** to **Exhibit "Z"** are letters of non-compliance from the Bank to the Debtors dated February 20, 2024, February 29, 2024, April 5, 2024, and May 1, 2024 advising of these borrowing base defaults under the Letter of Agreement.

B. First Forbearance Agreement – April 2024

57. As a result of the foregoing defaults, the Debtors and the Bank executed a forbearance agreement (the "**First Forbearance Agreement**") on April 18, 2024. A copy of the First Forbearance Agreement is attached hereto as **Exhibit "AA"**.

58. The material terms of the First Forbearance Agreement are set out below:

(a) The Bank agreed to forbear from enforcing on its rights until July 31, 2024;

(b) The Debtors covenanted to enter into binding agreements to sell the Melair Property and other real property referred to as the "**Guthrie Property**" by no later than May 31, 2024 and to sell both properties by no later than July 31, 2024 (the "**Real Property Milestones**");

(c) The Debtors covenanted to meet certain monthly minimum EBITDA targets (the "**EBITDA Targets**");

(d) The Debtors' financial covenants were suspended for the duration of the forbearance period;

(e) The Upper Bound of the Line of Credit was reduced to $6,750,000; and

(f) The Debtors consented to the appointment of a receivership over them and their property.

59. Unfortunately, the Debtors struggled to honour the covenants set out in the Forbearance Agreement. In particular, the Borrowing Base Shortfalls continued, as set out below:

(a) $2,247,000 as at April 30, 2024;

(b) $1,762,000 as of May 31, 2024;

(c) $2,034,000 as of June 30, 2024;

(d) $2,201,000 as of July 31, 2024;

60. The Debtors also failed to execute purchase agreements for the Melair and Guthrie Properties by May 31, 2024 or to sell either property by July 31, 2024.

61. Attached hereto as **Exhibits "BB"** to **"EE"** are notices of non-compliance issued by the Bank dated June 10, 2024, July 4, 2024, August 5, 2024, September 13, 2024.

C. Ongoing Forbearance Defaults and Need for a Forbearance Amendment Agreement

62. As a result of the Debtors' ongoing forbearance defaults and inability to satisfy the Real Property Milestones or the EBITDA Targets, and with the intention of providing the Debtors with the further flexibility needed, the Bank agreed to execute a forbearance amendment agreement (the "**Forbearance Amendment Agreement**") with the Debtors on June 26, 2024.

63. The material terms of the Forbearance Amendment Agreement are set out below:

(a) The forbearance period was extended to October 31, 2024;

(b) The Real Estate Milestones were extended to require a binding purchase agreement by no later than August 31, 2024 and the sale of each Property by no later than October 31, 2024;

(c) The EBITDA Targets were generally adjusted downwards to provide more flexibility; and

(d) The Upper Bound was reduced to $6,250,000 through to August 31, 2024, and $6,000,000 from September 1, 2024 onwards.

64. Attached hereto as **Exhibit "FF**" is a copy of the Forbearance Amendment Agreement.

65. Unfortunately, the Debtors continued to operate in breach of the Forbearance Amendment Agreement. Following the execution of the Forbearance Amendment Agreement, the borrowing base shortfalls continued, with them being:

(a) $3,751,000 as of August 31, 2024;

(b) $3,546,000 as of September 30, 2024; and

(c) $3,636,000 as of October 31, 2024.

66. The Debtors also failed to meet the EBITDA Target for April 30, 2024 by over $140,000, for July 31, 2024 by almost $700,000, and for October 31, 2024 by over $5,000,000.

67. Attached hereto as **Exhibits "GG"** to **"HH"** are copies of notices of non-compliance dated November 8, 2024, and December 17, 2024.

68. The Debtors did successfully sell real property (the "**Guthrie Property**"), owned by Waydom, that was subject to a first-ranking Bank mortgage, with closing on October 10, 2024. The Bank was content to allow this transaction to proceed, notwithstanding that the net sale proceeds were less than the mortgage debt owing by Waydom on that date.

69. The Bank agreed to allow the shortfall to be withdrawn from the Line of Credit in an effort to support the Debtors' ongoing restructuring efforts.

70. The Bank similarly agreed to the Debtors' sale of certain equipment encumbered by Equipment Finance Loans, with the sale proceeds applied to paydown the Borrowing Base Shortfall on the Line of Credit rather than towards the Equipment Finance Loans, as the Line of Credit has a higher interest rate than the Equipment Finance Loans.

D. Attempts at Refinancing and Further Forbearance

71. As these forbearance defaults were ongoing, the Debtors advised the Bank, through their financial advisor Grant Thornton Limited (the "**Financial Advisor**"), that they intended to refinance their indebtedness to the Bank through eCapital. The Debtors represented that eCapital would refinance the entire Line of Credit and would enter into a binding commitment letter by the end of October 2024, with the refinancing completed by early

November 2024. Attached hereto as **Exhibit "II"** is an email from the Debtor's Financial Advisor to the Bank dated October 7, 2024.

72. As was often the case, that timeline and promise of repayment proved to be far too optimistic. In particular, as set out below, the terms of the eCapital financing, including surrounding broker payables, shifted markedly as the Debtors' communications with eCapital proceeded, resulting in a lower and lower projected payout to the Bank.

73. On October 31, 2024 the Forbearance Amendment Agreement expired. The Bank decided to continue to forbear on an informal day to day basis to provide the Debtors with further time to restructure and to avoid the expenses associated with formalizing a further forbearance.

74. Additionally, the Debtors had failed to sell the Melair Property, in breach of the Real Estate Milestone under the Forbearance Amendment Agreement. It is my understanding that the Melair Property remains listed for sale.

75. Notwithstanding their earlier representations, on November 14, 2024 the Debtors advised the Bank that:

(a) eCapital would only have conditional credit approval by November 26, with a closing targeted for mid-December 2024;

(b) eCapital would refinance the Line of Credit and the Equipment Finance loans;

(c) eCapital required first-position security on the Debtors' equipment that was not already encumbered by a PMSI in favour of the Bank; and

(d) the Bank would suffer a shortfall on the Line of Credit of between $250,000 and $500,000.

76. Attached hereto as **Exhibit "JJ"** is an email from the Debtor's Financial Advisor to the Bank dated November 14, 2024 discussing the above.

77. The Debtors had not previously advised the Bank that the Bank would experience a shortfall from the eCapital refinancing, of approximately $250,000 to $500,000. Notwithstanding this potential shortfall, the Bank was prepared to continue working with the Debtors to find a creative solution, such as a personal guarantee or additional shareholder capital contributions, to allow for a mutually beneficial outcome.

78. The Bank and the Debtors continued to discuss potential terms of the eCapital refinancing throughout November and December 2024, including the potential for a capital contribution or loan from the Debtors' shareholders to cover any shortfall the Bank would experience.

79. Contrary to their prior representations, on November 22, 2024 the Debtors advised that eCapital would not be refinancing the Equipment Finance Loans itself, but would instead require assistance from Pillar Capital for that purpose. The Bank was surprised that eCapital would not be able to refinance the Equipment Finance Loans in light of the Debtors' prior representations as noted above and was concerned that the Debtors did not have a clear understanding of the eCapital refinancing process. The Debtors' Financial Advisor further advised that a commitment letter from eCapital, and an equipment finance lending partner, would be provided by December 15, 2024. Attached hereto as **Exhibit "KK"** is a copy of an email from the Financial Advisor dated November 22, 2024.

E. Second Forbearance Amendment and Further Breaches

80. These discussions culminated in the second forbearance amending agreement (the "**Second Forbearance Amendment Agreement**"), dated December 13, 2024. A copy of the Second Forbearance Amendment Agreement is attached hereto as **Exhibit "LL"**.

81. The material terms of the Second Forbearance Amendment Agreement are:

(a) The forbearance period was extended to January 31, 2025;

(b) The Debtors would enter into a binding commitment letter with eCapital by December 20, 2024;

(c) The Debtors would close a refinancing transaction with eCapital by January 31, 2025;

(d) The Debtors would make additional funds, over and above the eCapital transaction proceeds, available to the Bank in the event that the eCapital transaction proceeds were insufficient to payout the Line of Credit in full;

(e) TD would agree to subordinate its first-ranking security position in the Debtors' equipment arising from the GSAs in favour of a lender willing to loan against that collateral; and

(f) The Debtors would be permitted to open a bank account with a bank or financial institution other than the Bank for the purpose of having a blocked account for payments associated with the eCapital transaction.

82. The Debtors proceeded to breach the Second Forbearance Amendment Agreement one week after it was executed, on December 20, 2024, by failing to deliver a binding

commitment letter from eCapital. Attached hereto is a default notice sent by the Bank to JBT in relation to this breach, dated December 23, 2024.

83. The Debtors subsequently advised that eCapital does not offer binding commitment letters, but they have never provided an explanation as to why they covenanted to provide a binding covenant letter on December 13th after they had been negotiating with eCapital for months and ought to have known that no such binding commitment letter would be extended.

84. By email dated January 9, 2025 the Debtors advised, through their counsel (Reconstruct LLP), that eCapital had again shifted the terms on which it would advance funds.

85. Most significantly, the Debtors advised that the eCapital refinancing would result in the Bank suffering a $750,000 shortfall on the Line of Credit. This was a complete contradiction of the terms of the Second Forbearance Amendment Agreement in which the Debtors covenanted to provide sufficient additional funds over and above the eCapital proceeds to payout the Line of Credit in full. In addition, it was clear that the discussions with eCapital and Pillar were still ongoing and the Debtors could not offer any certainty as to the timing when this proposed refinancing would occur. Attached as **Exhibit "MM"** is a copy of an email from Caitlin Fell dated January 9, 2025.

86. The Debtors provided no explanation as to why they were suddenly abandoning their covenant to pay out the Line of Credit in full.

87. The Debtors' decision to renege on the Second Forbearance Amendment, in the face of the Bank's continued willingness to forbear and to support the Debtors in their attempt to restructure their debts was, in my view, a clear decision by the Debtors to no longer act in

good faith. This was compounded by the fact that the Debtors had, less than one month earlier, covenanted to payout the Line of Credit in full. This sudden and abrupt departure from this intention signalled to the Bank that the Debtors had lost all interest in working collaboratively and with an eye to mutual best interest.

88. As a result, the Bank delivered demand letters and notices of intention to enforce security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* to the Debtors on January 15, 2025. Copies of these demand letters and notices are attached hereto as **Exhibit "NN"**.

V. TIMING OF THE DEBTORS' APPLICATION

89. As noted at paragraph 97 of the Medeiros Affidavit, the Debtors filed their NOIs on January 24, 2025 without consulting the Bank.

90. Subsequent to this, the Debtors, through their counsel, advised that they will be bringing a motion before the London Court on February 7, 2025 to ask the Court for, among other things, approval of debtor in possession financing and a corresponding DIP Lender's Charge in the amount of $250,000, an administration charge of $150,000 and a procedural consolidation of the NOI Proceedings. I attach as **Exhibit "OO"** a copy of an email dated January 27, 2025 from Reconstruct LLP.

91. However, we were subsequently advised by counsel for the Debtors on February 4, 2025 that the Debtors were intending to converting the NOI Proceedings to proceedings under the CCAA and the hearing of the application was scheduled for February 10, 2025.

92. As noted above, the Debtors only served their Application Record on February 6, 2025. As of the time that I am swearing this affidavit, TD has not seen the Debtors' cash flow forecasts, despite these being requested on multiple occasions by our counsel, Miller

Thomson. We have no visibility into how much money is being paid to pre-filing creditors, which pre-filing creditors are being paid, what services they provide, or whether they can be easily replaced.

93. Needless to say, TD opposes the relief sought by the Debtors under the CCAA. As discussed further below, it is the Bank's view that the Debtors' CCAA proceedings are effectively a stay against one creditor – namely TD. From my review of the Medeiros Affidavit, the Debtors are looking to obtain an Initial Order which includes:

(a) An unlimited first priority charge in favour of unidentified critical suppliers which ranks ahead of the Bank;

(b) An administration charge for a maximum amount of $250,000, ranking in priority to the Bank; and

(c) A DIP loan of $250,000 from a related party – namely Randy Bowman, one of the directors of the Debtors. Again, the Debtors are seeking a corresponding DIP Lender's Charge which ranks ahead of the Bank on all Property except for the Melair Property;

94. In addition to the priority sought by the Debtors in respect to these charges, it is my understanding (although I have not see the cash flow forecasts) that the Debtors do not intend to pay any amounts to the Bank despite having access to and utilizing the Line of Credit.

95. All of this, in the Bank's view, amounts to a further erosion of TD's security – especially taking into account the Borrowing Base Shortfalls and other defaults noted in detail above.

96. TD is very concerned that it currently stands to suffer a shortfall as the value of the Debtors' assets and property do not exceed the amount of TD's Indebtedness. If the costs of a expensive CCAA proceeding are factored in, this will only serve to burden the Bank and force its secured position to deteriorate further.

97. In light of the extended forbearance periods granted to the Debtors and the Bank's willingness to work with the Debtors to allow them to pursue their own restricting efforts with the assistance of Grant Thornton since June 2023, the Bank opposes the relief sought by the Debtors under the CCAA. After all of the concessions and allowances given to the Debtors by TD in good faith over the past 19 months, the Debtors' financial position has deteriorated despite the Debtors' self-described restructuring efforts.

98. TD should be able to able to control its own enforcement process and not be at the mercy of a debtor-controlled process, particularly where the Debtors themselves have not been able to right their own ship (with the benefit of professional guidance) over an extended period of time. There is nothing unique to the Debtors' business that necessitates a full blown and costly CCAA proceeding.

VI. NEED FOR APPOINTMENT OF A RECEIVER

99. The Bank has lost confidence in the Debtors' management and urgently requires the appointment of a receiver. BDO has consented to act as receiver and is well placed for this role as it has been acting as the Bank's financial advisor in respect of the Debtors since September 2024.

A. Failure to Provide a Credible Plan

100. The Bank's loss of confidence arises from the Debtors' inability to provide a clear plan to refinance the Bank's debt or otherwise restructure their affairs in a manner that would not

result in the Bank incurring a significant shortfall. The Debtors have had the opportunity to restructure their affairs since the Bank began forbearing from enforcement in October 2023. They have failed to do so.

101. As set out above, the Bank has, for over 19 months, provided various forbearances and indulgences in an attempt to allow the Debtors to restructure.

102. The Medeiros Affidavit does not identify any basis for the argument that debtor-led proceedings would be superior to a receivership.

103. The Medeiros Affidavit points to the need to pay pre-filing critical vendors, the need to disclaim uneconomic leases, and the ability to conduct a SISP.

104. I discuss the Bank's objection to paying pre-filing critical vendors below. I am advised by Miller Thomson and do verily believe that uneconomic leases can be disclaimed within a receivership as well as within a debtor-led process.

105. The brief description of a possible SISP described in the Medeiros Affidavit does not include any indication that the Debtors will conduct the SISP in a manner supported by the Bank. As the Debtors' senior secured and largest creditor, any SISP should be conducted in a manner that is supported by the Bank as the Bank will be the SISP's primary beneficiary.

106. From the Bank's perspective, a sale process that can be undertaken by a court-appointed Receiver is superior to a debtor-led process as costs can be further streamlined and creditors will have more insight into the sales process.

B. Concerning Post-NOI Conduct

107. The Bank's loss of confidence is compounded by the Debtor's conduct since filing NOIs.

108. On January 20, 2025, during the 10 day "standstill period" following the Bank's demand, the Debtors withdrew the final $200,000 in cash held in JBT's account at the Bank and deposited the funds at an RBC account ("**RBC Account**"). Doing so caused an excess on the operating Line of Credit and likely aggravated the Borrowing Base shortfall.

109. The Debtors are not permitted to have any accounts at any banks other than TD (and the blocked eCapital account in the event that transaction had closed) pursuant to the terms of the Letter of Agreement and Forbearance Agreement. The existence of the RBC Account at all is a default of the Letter of Agreement and the Second Forbearance Amending Agreement. The Debtors are well aware of this positive covenant as TD had required that they close their RBC accounts in early 2023 following its discovery that they still maintained accounts at RBC.

110. Moreover, the Debtors' decision to move the funds out of the Bank show that the Debtors are attempting to hoard cash out of the Bank's reach. The Bank has been given no visibility into the RBC Account since the funds were moved, notwithstanding that the funds are secured by the GSAs.

111. The Debtors have also not given any indication whether the $200,000 remains on deposit or if it has been used to fund operational expenses.

112. The Bank is concerned that it is being forced to act as an involuntary interim finance lender. For instance, on February 6, 2025, the Debtors' operating line went into an excess position

due to a transaction in the amount $133,170.01. In light of this, TD has returned the payment.

113. The Bank should not be required to fund proceedings that it opposes. These concerns are compounded by the Debtors' intention to pay pre-filing unsecured debt in priority to the Bank. Further, despite the fact that the Debtors are continuing to utilize its Facilities on a daily basis, the Debtors have made no provision for payments to the Bank.

C. Deteriorating Relationships with Suppliers

114. The evidence in the Medeiros Affidavit suggests that the Debtors intend to pay pre-filing unsecured debt rather than service the Bank's principal and interest payments. The Bank does not support the payment of unpaid pre-filing vendors ahead of the Bank.

115. The Medeiros Affidavit does not contain any evidence suggesting that these pre-filing vendors, largely trucking companies, offer any unique or specialized services that could not be obtained from other, non-creditor suppliers.

116. At the time of swearing this affidavit, the Bank has not been provided with the Debtors' cash flow forecast and therefore does not have visibility into the quantum of these pre-filing debts. The Bank does not know if these pre-filing creditors represent only a few of the Debtors' vendors or many of them. If only a few then it is unclear why they must be paid, rather than the services being sent elsewhere. If many, then it raises concerns about whether a viable restructuring is even possible.

117. The Bank is concerned that the $200,000 is being used to pay these pre-filing suppliers, with the result being that the Debtors are, without the Bank's consent, using the Bank's collateral to fund unsecured creditors ahead of the Bank's secured debt. TD does not

currently have any visibility into the Debtors' RBC account(s) despite its first ranking security interest.

118. The Bank is further concerned that its borrowing base collateral will be eroded by paying pre-filing unsecured debt. Without visibility into the Debtors' cash flow forecasts, the Bank has no ability to know whether this will be the case but, for the reasons given above, it no longer has faith in the Debtors' intent to act in good faith towards the Bank.

D. Receivership Would Lead to an Orderly Recovery for Creditors

119. The appointment of BDO as a court-appointed receiver would lead to an orderly recovery for all of the Debtors' creditors and other stakeholders. A Receiver will be able to continue to list the Melair Property for sale, disclaim uneconomic leases, and otherwise realize upon the Debtors' assets while avoiding the cumbersome professional fees of a CCAA proceeding.

120. Based on my experience, the costs of a receivership proceeding should be much lower than that of a CCAA proceeding.

121. In short, despite the fact that TD is a fulcrum creditor, the NOI Proceedings and the Debtors' pending application under the CCAA are designed to keep TD "outside the tent" while its first ranking security is being eroded as a result of a process that it does not wish to be a part of. The Bank has given the Debtors multiple opportunities to voluntarily restructure under their own hand and with professional advice; however, this has only resulted in TD's position being further adversely impacted. It is counterintuitive that the Debtors should be able to sidestep their consent to a receivership order (signed with the benefit of professional advice) even after multiple defaults and cause further injury to TD's secured position.

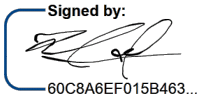
122. I swear this affidavit in support of a Receivership Order in the form contained at Tab 3 of the Application Record, and in opposition to the Debtors' application under the CCAA and for no other or improper purpose.

SWORN before me at the City of Toronto, in the Province of Ontario, with the deponent in the City of Toronto, in the Province of Ontario, this 7th day of February, 2025 in accordance with O. Reg. 431/20 Administering Oath or Declaration Remotely

Commissioner for Taking Affidavits

MATTHEW CRESSATTI

Signed by:



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DARYL COELHO

THE TORONTO-DOMINION BANK and JBT TRANSPORT INC. et al. Court File No.
Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

AFFIDAVIT OF DARYL COELHO
(sworn February 7, 2025)

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
Toronto ON M5H 3S1

Craig A. Mills LSO#: 40947B
Tel: 416.595.8596
cmills@millerthomson.com

Matthew Cressatti LSO#: 77944T
Tel: 416.597.4311
mcressatti@millerthomson.com

Lawyers for The Toronto-Dominion Bank

This is Exhibit "B" referred to in the Affidavit of Daryl Coelho sworn by Daryl Coelho of the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on February 25, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

Ontario ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND REGISTRY OFFICE #58

22714-0168 (LT)

PREPARED FOR Rebecca01
ON 2025/02/07 AT 12:02:59

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT. LOT 4 PLAN 679 & PT. LOT 5 PLAN 680, BEING PTS. 2 ON 67R-1111 & PT. 1 ON 67R-3739, SAVE & EXCEPT PTS. 1 TO 5 ON 58R-15853. S/T EASE 1174275. TOWNSHIP OF NORTH DUMFRIES

PROPERTY REMARKS: PLANNING ACT CONSENT IN WR326819.

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
DIVISION FROM 22714-0048

PIN CREATION DATE:
2007/09/21

OWNERS' NAMES
MELAIR MANAGEMENT INC.

CAPACITY SHARE
BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2007/09/21 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2003/06/16 **						
WS519483	1973/05/23	AGREEMENT REMARKS: SKETCH ATTACHED.			THE CORPORATION OF THE TOWNSHIP OF NORTH DUMFRIES	C
67R1111	1977/03/17	PLAN REFERENCE				C
WS744613	1991/03/20	TRANSFER	$1,000,000		925374 ONTARIO INC.	C
67R3739	1991/06/26	PLAN REFERENCE				C
58R8717	1993/06/23	PLAN REFERENCE				C
1174275	1993/06/25	TRANSFER EASEMENT			UNION GAS LIMITED	C
58R15853	2007/06/15	PLAN REFERENCE				C
WR1026722	2017/04/25	CHARGE		*** COMPLETELY DELETED *** 925374 ONTARIO INC.	THE TORONTO-DOMINION BANK	
WR1026723	2017/04/25	NO ASSGN RENT GEN		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				925374 ONTARIO INC.	THE TORONTO-DOMINION BANK	
REMARKS: WR1026722.						
WR1033128	2017/05/17	APL CH NAME OWNER		925374 ONTARIO INC.	1969285 ONTARIO INC.	C
WR1411056	2022/02/02	CHARGE		*** COMPLETELY DELETED *** 1969285 ONTARIO INC.	THE TORONTO-DOMINION BANK	
WR1411182	2022/02/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: WR1026722.						
WR1411183	2022/02/02	APL CH NAME OWNER		1969285 ONTARIO INC.	MELAIR MANAGEMENT INC.	C
WR1529800	2023/08/28	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** TRADE-MARK INDUSTRIAL INC. TRADE-CRETE LTD. COMTRADE LTD.		
WR1541319	2023/10/25	CERTIFICATE		*** COMPLETELY DELETED *** TRADE-MARK INDUSTRIAL INC. TRADE-CRETE LTD. COMTRADE LTD.		
WR1541697	2023/10/26	APL DEL CONST LIEN		*** COMPLETELY DELETED *** WAYDOM MANAGEMENT INC. MELAIR MANAGEMENT INC.		
REMARKS: WR1529800. WR1541319						
WR1565776	2024/04/05	CHARGE	$12,200,000	MELAIR MANAGEMENT INC.	THE TORONTO-DOMINION BANK	C
WR1566421	2024/04/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
REMARKS: WR1411056.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

This is Exhibit "C" referred to in the Affidavit of Daryl Coelho sworn by Daryl Coelho of the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on February 25, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

Properties

PIN	22714 - 0168 LT *Interest/Estate* Fee Simple
Description	PT. LOT 4 PLAN 679 & PT. LOT 5 PLAN 680, BEING PTS. 2 ON 67R-1111 & PT. 1 ON 67R-3739, SAVE & EXCEPT PTS. 1 TO 5 ON 58R-15853. S/T EASE 1174275. TOWNSHIP OF NORTH DUMFRIES
Address	425 MELAIR DRIVE AYR

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name	MELAIR MANAGEMENT INC.
Address for Service	530 Manitou Drive Kitchener, Ontario N2C 1L3

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name	THE TORONTO-DOMINION BANK
Address for Service	130 Cedar Street, Unit 1 Cambridge, Ontario N1S 1W4

Statements

Schedule: See Schedules

The text added or imported if any, is legible and relates to the parties in this document.

Provisions

Principal	$12,200,000.00	*Currency*	CDN
Calculation Period	See Schedule 1		
Balance Due Date			
Interest Rate	See Schedule 1		
Payments			
Interest Adjustment Date			
Payment Date	ON DEMAND		
First Payment Date			
Last Payment Date			
Standard Charge Terms	8520		
Insurance Amount	See standard charge terms		
Guarantor			

Signed By

Oxana Mysyk	40 King Street West, Suite 5800 Toronto M5H 3S1	acting for Chargor(s)	Signed	2024 04 05

Tel 416-595-8500

Fax 416-595-8695

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

MILLER THOMSON	40 King Street West, Suite 5800 Toronto M5H 3S1	2024 04 05

Tel 416-595-8500

Fax 416-595-8695

Fees/Taxes/Payment

Statutory Registration Fee	$69.95
Total Paid	$69.95

File Number

Chargee Client File Number : 202567.28 (JP/OM)

of Ontario

Schedule 1

Form 5 - Land Registration Reform Act, 1984

S

Additional Property Identifier(s) and/or Other Information

This is a Schedule to a Charge made between MELAIR MANAGEMENT INC.

and THE TORONTO-DOMINION BANK.

Box (9)(b) The Chargor hereby agrees to pay interest on the Principal Amount at the following Interest Rate:

- the Bank's Prime Rate plus 5.0 % per annum. "Prime Rate" means the rate of interest per annum established and reported by the Bank to the Bank of Canada from time to time as a reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of credit worthiness in Canada for Canadian dollar loans made by it in Canada.

Box (9)(c) Interest at the Interest Rate aforesaid is calculated and payable monthly, not in advance, before and after demand, default and judgment. Interest is payable on overdue interest and on Indebtedness payable under this Charge at the aforesaid Interest Rate. Any payment appropriated as a permanent reduction of this Charge shall be first applied against interest accrued hereunder.

FOR OFFICE USE ONLY

This is Exhibit "D" referred to in the Affidavit of Daryl Coelho sworn by Daryl Coelho of the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on February 25, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

Standard Charge Terms

Filing No. 8520
Land Registration Reform Act, 1984

This set of **STANDARD CHARGE TERMS** shall be deemed to be included in every Charge in which the set is referred to by its filing number, as provided in section 9 of the above Act.

1. Definitions

In this set of Standard Charge Terms:

(a) **Bank** means The Toronto-Dominion Bank.

(b) **Charge** means this Charge/Mortgage of Land made pursuant to the Land Registration Reform Act, 1984 and any amendments thereto, to which the Chargor and the Chargee are parties and which is dated as of the Date of Signature of the first named Chargor who signs the Charge.

(c) **Chargee** means the Bank.

(d) **Chargor** means each Chargor described in this Charge.

(e) **Costs** means the fees, costs, charges and expenses of the Bank of and incidental to:

(i) the preparation, execution and registration of the Charge and any other instruments connected herewith;

(ii) the collection, enforcement, realization of the security herein contained;

(iii) procuring payment of the Indebtedness due and payable hereunder, including foreclosure, power of sale or execution proceedings commenced by the Bank or any other party;

(iv) any inspection required to be made of the Property;

(v) all necessary repairs required to be made to the Property;

(vi) the Bank's having to go into possession of the Property and secure, complete and equip the building or buildings in any way in connection therewith;

(vii) the Bank's renewal of any leasehold interest;

(viii) the exercise of any of the powers of a receiver contained herein; and

(ix) all solicitor's costs, costs and expenses of any necessary examination of the title to and of valuation of the Property.

Costs shall:

(i) extend to and include legal costs incurred by the Bank as between solicitor and his own client;

(ii) be payable forthwith by the Chargor; and

(iii) be a charge on the Property.

(f) **Fixtures** include, but are not limited to, furnaces, boilers, oil burners, stokers, water heaters, electric light fixtures, screen and storm doors and windows, air conditioning, plumbing, cooling and heating equipment and all apparatus and equipment appurtenant to the Property.

(g) **Indebtedness** means all monies and liabilities matured or not, whether present or future, direct or indirect, absolute or contingent, now or at any time hereafter owing or incurred, wheresoever or howsoever incurred from or by the Chargor, as principal or surety, whether alone or jointly with any other person and in whatever name style or firm, whether otherwise secured or not and whether arising from dealings between the Bank and the Chargor or from other dealings or proceedings by which the Bank may become a creditor of the Chargor including, without limitation, advances upon overdrawn accounts or upon bills of exchange, promissory notes or other obligations discounted for the Chargor or otherwise, all bills of exchange, promissory notes and other obligations negotiable or otherwise representing money and liabilities, or any portion thereof, now or hereafter owing or incurred from or by the Chargor and all interest, damages and Costs, and all premiums of insurance upon the buildings, Fixtures and improvements now or hereafter brought or erected upon the said Property which may be paid by the Bank and Taxes.

(h) **Interest Rate** means the Interest Rate set out in Schedule 1 to this Charge.

(i) **Principal Amount** means the Principal Amount in lawful money of Canada set out in this Charge.

(j) **Property** means the property identified in this Charge by the Property Identifier(s) and described in the Description therein and in a Schedule to this Charge, if required, and includes all buildings, Fixtures and improvements now or hereafter brought or erected thereon.

(k) **Spouse of Chargor** means each Spouse of Chargor described in this Charge.

(l) **Taxes** means all taxes, rates and assessments, municipal, local, parliamentary or otherwise.

If the Property is a condominium unit, the following definitions apply:

(m) **Condominium Corporation** means the Condominium Corporation which was created by the registration of the Declaration and the description relating thereto of which the Property hereby charged constitutes a part.

(n) **Common Expenses** means the expenses of the performance of the objects and duties of the Condominium Corporation and any expenses specified as common expenses in the Condominium Act (Ontario), as amended from time to time or in the Declaration.

(o) **Declaration** means the Declaration which, together with a description, was registered pursuant to the Condominium Act, to create the Condominium Corporation.

2. Charge of Property

The Chargor has, at the request of the Bank, agreed to give this Charge as a CONTINUING COLLATERAL SECURITY for payment to the Bank ON DEMAND of the Indebtedness, provided that such security be limited to the Principal Amount plus Costs with interest thereon at the Interest Rate. Interest at the Interest Rate is calculated and payable monthly, not in advance, before and after demand, default and judgment, with interest on overdue interest and on all other amounts charged to the Chargor hereunder at the Interest Rate. The Chargor,

(a) if the Property is a freehold property, hereby charges the Property to the Bank; or

(b) if the Property is a leasehold interest, hereby charges and subleases the Property to the Bank for and during the unexpired residue of the term of the lease, except the last day thereof, and all other estate, term, right of renewal and other interest of the Chargor in the lease;

to secure the repayment of the Indebtedness and the performance of all of the obligations of the Chargor contained herein. The Chargor hereby releases to the Bank all its claims upon the Property until the Chargor has repaid the Indebtedness and performed all of the obligations of the Chargor in the manner provided by this Charge.

3. Covenants of the Chargor

The Chargor hereby covenants with the Bank that:

(a) The Chargor will ON DEMAND pay the Indebtedness and observe all provisos, conditions and agreements contained herein;

(b) The Chargor has a good title in fee simple to the Property (unless the Chargor is a lessee of the Property), save and except prior registered encumbrances;

(c) The Chargor has the right to charge the Property to the Bank;

(d) On default, the Bank shall have quiet possession of the Property, free from all encumbrances, save as aforesaid;

(e) Covenant 1.vii, deemed to be included in this Charge by subsection 7(1) of the Land Registration Reform Act, 1984 is hereby expressly varied by providing that the Chargor will, before or after default, execute such further assurances of the Property and do such other acts, at the Chargor's expense, as may be reasonably required;

(f) The Chargor will insure the Property to an amount of not less than the Principal Amount PROVIDED that if and whenever such amount be greater than the insurable value of the buildings, Fixtures and improvements now or hereafter brought or erected upon the Property, such insurance shall not be required in any greater amount than such insurable value and if and whenever the same shall be less than the insurable value the Bank may require such insurance to the full replacement value. It is further agreed that the Bank may require any insurance hereunder to be cancelled and new insurance effected by an insurer to be approved by it and also may of its own accord effect or maintain any insurance herein provided for and any amount paid by the Bank therefor shall be payable forthwith to the Bank with interest at the Interest Rate by the Chargor and shall be a charge upon the Property;

(g) The Chargor will in each year within ten (10) days after the Taxes become due and payable produce to and leave with the Bank the duly receipted tax bills for that year covering the Property;

(h) This Charge shall be void UPON REPAYMENT of the Indebtedness upon demand; or without demand, UPON PERMANENT REPAYMENT of the Indebtedness, with written notice to such effect to the Bank. The Chargor releases to the Bank all the Chargor's claims upon the Property subject to this paragraph; and

(i) The Chargor agrees to assign to the Bank forthwith upon the request of the Bank as additional security for payment of the Indebtedness and the performance of the covenants herein contained, any present or future lease which may be granted by the Chargor as to the whole or any portion of the Property and agrees to deliver to the Bank executed copies of all such leases at the written request of the Bank. The Chargor covenants to perform and comply with all lessor's covenants contained in any leases assigned by the Chargor to the Bank. Notwithstanding the assignment or assignments of any lease or leases by the Chargor to the Bank, it is nevertheless declared and agreed that none of the rights or remedies of the Bank under this Charge shall be delayed or in any way hindered or prejudiced by such assignment or assignments or by any act of the Bank pursuant thereto.

4. Additional Covenants if Property is a Leasehold Interest

The Chargor covenants with the Bank that:

(a) The Chargor has a good leasehold title to the Property;

(b) The Chargor has a right to charge and sublet the leasehold title to the Property to the Bank in the manner herein provided, and, if required, has obtained the lessor's consent to this Charge;

(c) Neither the Chargor nor any other person has heretofore made, done, committed or suffered any act to encumber the lease or any part thereof;

(d) The lease is a good, valid and subsisting lease and not surrendered, forfeited, amended or become void or voidable and the rents and covenants reserved have been duly paid and performed by the Chargor up to the Date of Signature of the Chargor;

(e) During the continuance of this Charge, the Chargor will not amend, surrender or modify the lease without the written consent of the Bank and will pay the rent reserved by the lease and perform and observe the covenants, provisos and conditions contained in the lease and on the lessee's part to be performed and observed and hereby agrees to keep the Bank indemnified against all actions, claims and demands whatsoever in respect of the said rent and covenants or anything relating thereto; and

(f) The Chargor will stand possessed of the Property for the last day of the term or any renewal term granted by the lease in trust for the Bank, and will assign and dispose thereof as the Bank may direct, but subject to the same right of redemption and other rights as are hereby given to the Chargor with respect to the derivative term hereby granted.

5. Repair and Maintenance of Property

The Chargor covenants with the Bank that the Chargor will keep the Property in good condition and repair. The Bank may, whenever it deems it necessary, by its agent enter upon and inspect the Property and the Chargor shall pay the Costs associated therewith. If the Chargor or anyone claiming under him neglects to keep the Property in good condition and repair or commits any act of waste on the Property or does anything by which the value of the Property shall be diminished, as to all of which the Bank shall be sole judge, or makes default as to any of the covenants or provisos herein contained, the Indebtedness shall, at the option of the Bank, forthwith become due and payable. In default of payment thereof the powers of entering upon and leasing or selling hereby given may be exercised forthwith, and the Bank may make such repairs as it deems necessary and the Costs thereof shall be paid by the Chargor.

6. Obligation to Build Diligently

The Chargor covenants with the Bank that if the Chargor fails at any time for a period of ten days to diligently carry on the work of construction of any building or buildings being or to be erected on the Property or, without the consent in writing of the Bank, departs in such construction from any plans and specifications thereof which must be approved by the Bank or from the generally accepted standards of construction in the locality of the Property, or permits any construction or other lien to be registered against the Property for any period exceeding thirty days, the Bank at its option at any time thereafter through its agents or contractors may enter the Property and have exclusive possession thereof and of all materials, plant, gear and equipment thereon free of interference from or by the Chargor and complete the construction of the building or buildings either according to the said plans and specifications or according to other plans, specifications or design as the Bank in its absolute discretion shall elect. All Costs in connection therewith shall be payable by the Chargor.

7. Remedies on Default of Chargor

It is hereby provided that:

(a) **Power to Lease or Sell Property**

The Bank on default of payment of the Indebtedness or any portion thereof for the minimum default period on giving the minimum notice, according to applicable law, may enter on, lease or sell the Property. Provided further that on default of payment for the minimum default period, according to applicable law, the foregoing power of entry, leasing and selling may be exercised by the Bank without any notice whatsoever.

(b) **Rights of Bank in Sale of Property**

(i) The Bank in the event of default by the Chargor in payment of the Indebtedness or any portion thereof may sell the Property or any part thereof or, if the Property is a leasehold interest, sell the unexpired term of years demised by the lease or any part thereof by public auction or private sale for such price as can reasonably be obtained therefor and on such terms as to credit and otherwise and with such conditions of sale as it shall in its discretion deem proper, and in the event of any sale on credit or for cash or for part cash and part credit, the Bank shall not be accountable for or be charged with any monies until actually received by it. The Bank may rescind or vary any contract or sale and may buy in and re-sell the Property or any part thereof without being answerable for loss occasioned thereby; and no purchaser shall be bound to enquire into the legality, regularity or propriety of any sale or be affected by notice of any irregularity or impropriety; and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale hereunder, but the Bank alone shall be responsible. The Bank may sell without entering into actual possession of the Property and while in possession shall be accountable only for monies which are actually received by it and sales may be made by it from time to time of parts of the Property to satisfy any portion of the Indebtedness, leaving the residue thereof secured hereunder on the remainder of the Property, or may take proceedings to sell and may sell the Property or any portion of the Property subject to the balance of the Indebtedness not yet due at the time of the said sale.

(ii) Disposition of Leasehold Property - If the Property is a leasehold interest, the Chargor hereby irrevocably appoints the Bank as the Chargor's substitute to be the Chargor's attorney during the continuance of this security. In the event of default and on giving the notice contemplated herein to the Chargor for and on behalf of the Chargor, the Bank may assign the lease and convey the Property and the last day of the term granted by the lease as the Bank shall at any time direct, and in particular, upon any sale made by the Bank under the statutory power or power of sale herein contained, to assign the lease and convey the Property and the said reversion to the purchaser. It is hereby declared that the Bank or other person for the time being entitled to the Indebtedness may at any time, by deed, remove the Chargor or any other person from being a trustee of the lease under the declaration of trust hereinbefore declared and on the removal of the Chargor or any future trustee of the lease, appoint a new trustee or trustees in the Chargor's place.

(iii) If the Property is a leasehold interest, the Chargor will, with respect to the lease, at the request of the Bank, but at the cost, charge and expense of the Chargor, grant and assign unto the Bank, or the person whom it may appoint, the last day of the said term hereinbefore excepted or any renewal or substituted term; and further, in the event of the Bank making any sale under the power of sale herein contained the Chargor shall stand seized and possessed of the Property for the last day of the said term hereinbefore excepted, and of any renewal or substituted term, and of all rights of renewal in trust for the purchaser or purchasers, his or their heirs, executors, administrators, successors and assigns.

(c) **Costs of Sale of Property**

The Costs of any sale proceedings hereunder, whether such sale proves abortive or not, incurred in taking, recovering or keeping possession of the Property or in enforcing the personal remedies under this Charge or by reason of non-payment or in procuring payment of the Indebtedness shall be payable by the Chargor whether any action or proceeding has commenced or not.

8. Appointment of Receiver

If the Chargor shall be in default in the observance or performance of any of the terms, conditions, covenants or payments described herein or in any additional or collateral security given by the Chargor to the Bank then the Bank may in writing, appoint any person, whether an officer or employee of the Bank or not, to be a receiver of the Property and the rents and profits derived therefrom, and may remove the receiver so appointed and appoint another in his stead. The term "receiver" as used in this Charge includes a receiver and manager. The following provisions shall apply to this paragraph:

(a) The receiver so appointed is conclusively the agent of the Chargor and the Chargor shall be solely responsible for the acts or defaults and for the remuneration and expenses of the receiver. The Bank shall not be responsible in any way for any misconduct or negligence on the part of the receiver and may, from time to time, fix the remuneration of the receiver and be at liberty to direct the payment thereof from proceeds collected;

(b) Nothing contained herein and nothing done by the Bank or by the receiver shall render the Bank a mortgagee in possession or responsible as such;

(c) All monies received by the receiver, after providing for payment and charges ranking prior to this Charge and for all applicable Costs shall be applied in or towards satisfaction of the remaining Indebtedness;

(d) The receiver so appointed shall have power to:

(i) take possession of the Property, collect rents and profits and realize upon additional or collateral security granted by the Chargor to the Bank and for that purpose may take any proceedings, be they legal or otherwise, in the name of the Chargor or otherwise;

(ii) carry on or concur in carrying on the business which the Chargor is conducting on and from the Property and for that purpose may borrow money on the security of the Property in priority to this Charge; and

(iii) lease all or any portion of the Property and for this purpose execute contracts in the name of the Chargor which said contracts shall be binding upon the Chargor;

(e) The rights and powers conferred herein are supplemental to and not in substitution for any rights which the Bank may have from time to time.

9. Taking Possession of Personal Property

The Bank may distrain for arrears of any portion of the Indebtedness. The Chargor hereby waives the right to claim exemption and agrees that the Bank shall not be limited to the amount for which it may distrain.

10. Quiet Possession

Until default of payment the Chargor shall have quiet possession of the Property.

11. Release of Property by Bank

It is hereby agreed by the Chargor that the Bank may at its discretion at all times release any part or parts of the Property or any other security or any surety for the Indebtedness or any portion thereof either with or without any sufficient consideration therefor, without responsibility therefor and without thereby releasing any other part of the Property or any person from this Charge or from any of the covenants herein contained and without being accountable to the Chargor for the value thereof or for any money except that actually received by the Bank, it being expressly agreed that every part or lot into which the Property is or may hereafter be divided does and shall stand charged with the whole of the Indebtedness.

No extension of time given by the Bank to the Chargor, or any one claiming under the Chargor or any other dealing by the Bank with the owner or owners of the Property or of any part thereof shall in any way affect or prejudice the rights of the Bank against the Chargor or any other person liable for the payment of the Indebtedness or any portion thereof.

12. Payment of Other Charges and Performance of Other Obligations by Bank

The Chargor hereby agrees that:

(a) The Bank may satisfy any charge now or hereafter existing or to arise or be claimed upon the Property and the amount so paid shall be added to the Indebtedness and bear interest at the Interest Rate and shall be payable forthwith by the Chargor to the Bank and in default of payment, the Indebtedness shall become payable and the powers of sale hereby given may be exercised forthwith without any notice. And in the event of the Bank satisfying any such charge or claim, it shall be entitled to all equities and securities of the person or persons so satisfied and it may retain any discharge or cessation of charge unregistered until paid; and

(b) If the Property is a leasehold interest, and if the Chargor shall refuse or neglect to renew the lease or any renewals thereof granted hereafter, then, and as often as it shall happen, the Bank may, effect such renewals in its own name or otherwise, and every renewal of the lease and the Property thereby demised shall remain and be security to the Bank for the Indebtedness. All Costs in connection therewith shall be payable by the Chargor.

13. Sale or Transfer of Property by Chargor

The Chargor covenants and agrees with the Bank that:

(a) The Chargor will not without the prior consent in writing of the Bank, sell, transfer or otherwise dispose of the Property or any portion thereof or any interest therein; and, in the event of such sale, transfer or other disposition, without the consent of the Bank, the Indebtedness hereby secured shall, at the option of the Bank, forthwith become due and payable; and

(b) If the Property is a leasehold interest, no sale or other dealing by the Chargor with the lease or the Property or any part thereof or any other dealing by the Bank with the lease or the Property or any part thereof, shall in any way affect or prejudice the rights of the Bank against the Chargor or any other person liable to repay the Indebtedness hereby secured.

14. Charge Not a Substitute For Any Other Security

It is hereby expressly agreed by the Chargor that this Charge shall not create any merger, rebate or discharge of any debt owing to the Bank or of any lien, bond, promissory note, bill of exchange or other security held by or which may hereafter be held by the Bank, whether from the Chargor or any other party or parties whomsoever and this Charge shall not in any way affect any security held or which may hereafter be held by the Bank for the Indebtedness or any portion or portions thereof or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Bank for or on account of the Indebtedness or any portion or portions thereof nor shall the remedies of the Bank in respect thereof be affected in any manner whatsoever.

15. Judgments

The taking of a judgment or judgments against the Chargor on any of the covenants herein contained shall not operate as a merger of the said covenants or affect the Bank's rights to interest on the Indebtedness at the Interest Rate, and further that any such judgment may provide that interest thereon shall be computed at the Interest Rate until such judgment shall have been fully paid and satisfied.

16. Bank May Appropriate Payments to Any Debt

It is hereby agreed that the Bank shall have the right at any time to appropriate any payment made as a temporary or permanent reduction of any portion of the Indebtedness whether the same be represented by open account, overdraft or by any bills, notes or other instruments and whether then due or to become due and may from time to time revoke or alter such appropriation and appropriate such payment as a temporary or permanent reduction of any other portion of the Indebtedness as in its sole and uncontrolled discretion it may see fit.

17. Charge Continuing Security

It is hereby agreed that this Charge may secure a current or running account and shall stand as a continuing security to the Bank for the payment of the Indebtedness and all interest, damages and Costs which may become due or payable to the Bank notwithstanding any fluctuation or change in the amount, nature or form of the Indebtedness or in the bills, notes or other obligations now or hereafter representing the same or any portion thereof or in the names of the parties to the said bills, notes or obligations or any of them.

18. Additional Covenants if Property is a Condominium Unit

The Chargor covenants with the Bank that:

(a) The Chargor will promptly observe and perform all obligations imposed on the Chargor by the Condominium Act as enacted from time to time, and by the Declaration, the By-laws and the Rules, as amended from time to time, of the Condominium Corporation, by virtue of the Chargor's ownership of the Property. Any breach of the said duties and obligations shall constitute a breach of covenant under this Charge;

(b) Without in any way limiting or restricting the generality of the foregoing:

(i) The Chargor will pay promptly when due any contributions to Common Expenses required of the Chargor as an owner of the Property;

(ii) The Chargor will transmit to the Bank forthwith upon the demand of the Bank satisfactory proof that all Common Expenses assessed against or in respect of the said Property have been paid as assessed;

(iii) The Bank may put out of and deduct from any advance of the Principal Amount secured hereunder all contributions to the Common Expenses assessed against or in respect of the said Property which have become due and payable and are unpaid at the date of such advance; and

(iv) Whenever and so long as the Bank so requires the Chargor shall on or before the date when any sum becomes payable by the Chargor in respect of Common Expenses pay such sum to the Bank. The Bank shall forthwith on receipt thereof remit all such sums to the Condominium Corporation on behalf of the Chargor or as the Condominium Corporation may from time to time direct;

(c) The Bank by accepting delivery of and registering this Charge authorizes and empowers the Chargor to vote or consent or not to consent respecting all matters relating to the affairs of the relevant Condominium Corporation provided that:

(i) The Bank may at any time upon written notice to the Chargor and the Condominium Corporation revoke this authorization;

(ii) The Bank shall not be under any obligation to vote or consent or not to consent as aforesaid to protect the interest of the Chargor; and

(iii) The exercise by the Bank of its right to vote or consent or not to consent as aforesaid shall not constitute the Bank a mortgagee in possession.

19. Assignment of Rents

The Chargor hereby agrees with the Bank as follows:

(a) The Chargor hereby assigns and sets over to the Bank all rents payable from time to time under all leases of the Property or any part thereof, whether presently existing or arising in the future, together with the benefit of all covenants, agreements and provisos contained in the said leases, in favour of the Bank;

(b) Forthwith after making any lease of the Property or any part thereof the Chargor will execute and deliver to the Bank an assignment in registrable form in the Bank's usual form of all rents payable under such lease, the benefit of all covenants, agreements and provisos therein contained on the part of the tenant to be observed and performed and the reversion of such lease, and will also execute and deliver to the Bank all such notices and other documents as may be required in order to render such assignment effectual in law;

(c) Nothing herein contained shall make the Bank responsible for the collection of rents payable under any lease of the Property or any part thereof or for the performance of any covenants, terms or conditions contained in any such lease;

(d) The Bank shall not by virtue of these presents be deemed a mortgagee in possession of the Property;

(e) The Bank shall be liable to account for only such rents as actually come into its hands less reasonable collection charges in respect thereof and may apply such rents to the repayment of the Indebtedness; and

(f) Notwithstanding anything herein contained no lease of the Property or any part thereof made by the Chargor without the consent in writing of the Bank shall have priority over this Charge.

20. Interpretation and Headings

It is hereby agreed that wherever in this Charge the word "Chargor" is used the same shall extend to and include the heirs, executors, administrators, successors and assigns of the Chargor, and wherever in this Charge the word "Bank" is used the same shall extend to and include the successors and assigns of the Bank and wherever the singular or masculine is used the same shall be construed as meaning the plural or the feminine or the neuter where the context or the parties hereto so require. The headings do not form part of this document and have been inserted for convenience of reference only.

21. Condominium Act

If the Property is a condominium unit, this Charge is made pursuant to the Condominium Act.

This is Exhibit "E" referred to in the Affidavit of Daryl Coelho sworn by Daryl Coelho of the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on February 25, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

Cressatti, Matthew

From: Caitlin Fell <cfell@reconllp.com>
Sent: Monday, February 24, 2025 6:09 PM
To: Mills, Craig
Cc: Jessica Wuthmann; R. Brendan Bissell; Cressatti, Matthew
Subject: [**EXT**] Re: JBT [MTDMS-Legal.FID12596692]

Hi Craig that is correct. There are a number of lenders they are speaking with in addition to the lenders the bank is aware of. So the exact lender is not decided at this point.

RECON
RECONSTRUCT LLP

Caitlin Fell
Partner
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C | 416.258.5843
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80 Richmond Street West, Suite 1700, Toronto, ON M5H 2A4

From: Mills, Craig <cmills@millerthomson.com>
Sent: Monday, February 24, 2025 6:07:23 PM
To: Caitlin Fell <cfell@reconllp.com>
Cc: Jessica Wuthmann <jwuthmann@reconllp.com>; R. Brendan Bissell <bbissell@reconllp.com>; Cressatti, Matthew <mcressatti@millerthomson.com>
Subject: JBT [MTDMS-Legal.FID12596692]

Hi Caitlin

In looking at the stalking horse offer, we see that there is no financing condition. Has your client been able to line up financing and, if so, can you provide us with some of the material details?

Thanks

CRAIG A. MILLS
Partner

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This is Exhibit "F" referred to in the Affidavit of Daryl Coelho sworn by Daryl Coelho of the City of Toronto, before me at the City of Toronto, in the Province of Ontario, on February 25, 2025 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

Commissioner for Taking Affidavits (or as may be)

MATTHEW CRESSATTI

Date	Entity	Amount Withdrawn	Status of Payment
January 24, 2025	JBT	$ 1,085.07	
January 24, 2025	JBT	$ 18,690.49	
January 24, 2025	JBT	$ 4,000.00	
January 24, 2025	JBT	$ 15,645.55	
January 24, 2025	JBT	$ 19,228.79	
January 24, 2025	Heritage Truck	$ 15,360.41	
January 24, 2025	Heritage Truck	$ 6,232.38	
January 24, 2025	Heritage Truck	$ 8,890.06	
January 24, 2025	Heritage Warehousing	$ 16,792.22	
January 24, 2025	Heritage Warehousing	$ 8,626.76	
January 24, 2025	JBT USD	$ 402.25	
January 27, 2025	JBT	$ 4,170.78	
January 27, 2025	Heritage Truck	$ 7,811.26	Returned
January 27, 2025	Heritage Truck	$ 3,887.95	Returned
January 27, 2025	Drumbo	$ 395.59	
January 28, 2025	JBT	$ 2,660.87	
January 29, 2025	JBT	$ 1,519.65	
January 29, 2025	JBT	$ 5,863.58	
January 30, 2025	JBT	$ 61.25	
January 30, 2025	JBT	$ 86.01	
January 30, 2025	JBT USD	$ 8,863.15	
January 30, 2025	JBT USD	$ 1,385.39	
January 30, 2025	JBT USD	$ 6,937.35	
January 31, 2025	JBT	$ 2,903.42	
January 31, 2025	Heritage Warehousing	$ 14,874.34	
January 31, 2025	JBT USD	$ 287.39	
February 3, 2025	JBT	$ 920.70	
February 3, 2025	JBT	$ 3,261.27	
February 3, 2025	JBT	$ 93.96	
February 3, 2025	JBT	$ 170.50	
February 3, 2025	Drumbo	$ 11,160.00	
February 3, 2025	Heritage Northern	$ 49,850.00	
February 5, 2025	JBT	$ 711.05	
February 6, 2025	JBT	$ 3,331.21	
February 6, 2025	JBT	$ 835.31	
February 6, 2025	JBT USD	$ 1,209.91	
February 6, 2025	JBT USD	$ 8,356.60	
February 7, 2025	JBT	$ 789.16	
February 7, 2025	Drumbo	$ 20,465.71	
February 7, 2025	Drumbo	$ 17,301.16	
February 7, 2025	Drumbo	$ 6,430.00	
February 7, 2025	Drumbo	$ 4,000.00	
February 7, 2025	Heritage Northern	$ 23,826.84	
February 7, 2025	Heritage Northern	$ 12,652.61	
February 7, 2025	JBT USD	$ 352.25	
February 11, 2025	Heritage Truck	$ 7,871.26	Returned

February 11, 2025	Heritage Truck	$	3,947.95	Returned
February 12, 2025	JBT	$	3,391.68	Returned
February 12, 2025	Heritage Truck	$	18.20	Returned
February 12, 2025	Heritage Warehousing	$	290.41	Returned
February 20, 2025	JBT	$	1,940.28	Returned
February 20, 2025	Heritage Truck	$	2,026.12	Returned

THE TORONTO-DOMINION BANK Applicant	and	JBT TRANSPORT INC. et al. Respondent	Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

AFFIDAVIT OF DARYL COELHO
(sworn February 25, 2025)

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Lawyers for The Toronto-Dominion Bank

THE TORONTO-DOMINION BANK	and	JBT TRANSPORT INC. et al.	Court File No.
Applicant		Respondent	

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at TORONTO

SUPPLEMENTARY APPLICATION RECORD

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