

Court File No. CV-24-00726047-00CL

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

BETWEEN

NICOLA SURACE also known as Nick Surace

Applicant

- and -

**Jason Reis, V.G.A. Carpentry Limited, 1905247 Ontario Inc. and
V.G.A. Carpentry (2023) Ltd. now known as Dupont Carpentry Limited**

Respondents

APPLICATION UNDER

**SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990 c. C.43, as amended and
Section 248 of the Business Corporations Act, R.S.O 119, C B.16, as amended**

FIRST REPORT OF THE INTERIM RECEIVER

NOVEMBER 26, 2024

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INTRODUCTION

1. On October 22, 2024, pursuant to an order (the “**Appointment Order**”) of the Honourable Justice Penny of the Ontario Superior Court of Justice (Commercial List) (“**Court**”), Dodick Landau Inc. was appointed as receiver and manager (the “**Interim Receiver**”), without security, of all the assets, undertakings and properties of V.G.A Carpentry Limited (“**VGA**” or the “**Company**”) acquired for, or used in relation to a business (the “**Business**”) carried on by the Company, including all proceeds thereof (the “**Property**”). The Interim Receiver’s appointment resulted from an application made by Nick Surace (“**Surace**” or the “**Applicant**”) for various relief under section 101 of the Courts of Justice Act, R.S.O. 1990, C. C. 4, as amended, and section 248 of the Business Corporations Act, R.S.O. 1990, C B.16, as amended, against Jason Reis, (“**Reis**”), 1905247 Ontario Inc. (“**190**”) and V.G.A Carpentry (2023) Ltd., now known as Dupont Carpentry Limited (“**Dupont**”). Attached as **Appendix “A”** is a copy of the Appointment Order.
2. On October 22, 2024, the Honourable Justice Penny issued an endorsement (“**Endorsement**”) which included his Honour’s decision to appoint an interim receiver and directed counsel to negotiate the terms of such an order. Thereafter the parties negotiated the terms of the Appointment Order, which while dated October 22, 2024, was issued on October 29, 2024. Attached as **Appendix “B”** is a copy of the Endorsement. Paragraph 7 of the Endorsement described the powers of the Interim Receiver to include “the power to obtain financial information about VGA and Dupont in the hands of third parties.” The Appointment Order, however, included the Interim Receiver’s ability to obtain such information only with regard to VGA, which was presumably an oversight.
3. In addition to appointing the Interim Receiver, the Appointment Order, *inter alia*, empowered and authorized the Interim Receiver:
 - i) to review and have access to any and all financial information pertaining to the Business of the Company, including banking information, both on-line and in hard copy form;
 - ii) to report to, meet with and discuss with such affected Persons (as defined therein), including Reis and Surace and/or their legal counsel and financial

representatives, as the Interim Receiver deems appropriate, on all matters relating to the Business and the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;

- iii) to inquire into and report to the Court on the financial condition of the Company and the Property; and
- iv) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

4. The affidavits of Surace ("**Surace Affidavit**") and Surace's personal accountant, Nicholas Gareri ("**Gareri**"), ("**Gareri Affidavit**", and jointly with the Surace Affidavit, the "**Applicant Affidavits**"), were filed in connection with the application. Reis and Dennis Saxon, VGA's external accountant ("**Saxon**"), also filed affidavits (the "**Respondents' Affidavits**"). The Applicant and Respondents' Affidavits included background information regarding VGA and the events that led to the application.
5. The purpose of this report (the "**First Report**") of the Interim Receiver is to report to the Court pursuant to paragraph 21 of the Appointment Order "setting out the details of its review of the Records and the Business".

TERMS OF REFERENCE

6. In preparing this First Report, the Proposal Trustee has relied upon the Applicant Affidavits and the Respondent Affidavits, other Court material, certain unaudited, draft and/or internal financial information, VGA's books and records, correspondence and discussions with Gareri, correspondence and discussions with Reis and information from other third-party sources, including customers, vendors, and former employees (collectively, the "**Information**").
7. Except as described in this First Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Canadian Institute of Chartered Accountants Handbook (the "**CPA Handbook**") and, accordingly, the Interim Receiver expresses no opinion or other form of assurance contemplated under GAAS in respect of the

Information.

8. The Interim Receiver has prepared this First Report in its capacity as a Court appointed officer pursuant to paragraph 21 of the Appointment Order. Parties using this First Report, other than for the purpose outlined in this First Report, are cautioned that it may not be appropriate for their purposes.
9. All references to dollars are in Canadian currency unless otherwise noted.

BACKGROUND

10. VGA was founded by Surace in 1974 and is a provider of trim and carpentry services to the residential construction industry.
11. According to the Applicant Affidavits, in 2013 Reis became a shareholder of VGA and over time obtained a 49% interest in VGA which is held through 190, his holding company. Surace held directly the balance of the shareholdings, a 51% interest in VGA. Surace, due to his age, desired to retire from VGA.
12. As further detailed in the Applicant and Respondents' Affidavits, and the Shareholder's Agreement (defined below), Reis and Surace created a plan to wind down VGA (the "**Wind Down Plan**") which:
 - i) permitted the orderly completion by VGA of the contracts/projects already awarded to VGA, which were in various stages of completion;
 - ii) allowed Reis to succeed Surace whereby Reis would be responsible for completing the VGA projects and would be able to accept all new contracts/projects in Dupont, his newly created corporation which is wholly owned by him; and
 - iii) allowed for the repayment of certain amounts owed by VGA to Reis or Dupont.
13. A Shareholders' Agreement dated October 1, 2022 (the "**Shareholders' Agreement**") was executed by Reis and Surace which formalized the Wind Down Plan. Following the execution of the Shareholders' Agreement, Reis assumed the management of all day-to-day operations of VGA, while Surace remained a second signatory on all cheques of VGA.

14. The Shareholders' Agreement included, among other things, that: (i) VGA was to be wound down following the completion by VGA of its existing work identified as fifteen outstanding contracts/projects listed in Schedule A to the Shareholders Agreement ("**Schedule A**") with total known contract value of approximately \$26.7 million (collectively, the "**VGA Jobs**"); and (ii) Reis would not solicit away, or interfere with, any of the VGA Jobs.
15. At the time that the Shareholders' Agreement was executed, the expectation was that the VGA Jobs were profitable and should generate positive cash flows once completed. At the time of the Interim Receiver's appointment, according to the Applicant Affidavits, VGA had not made any distributions to its shareholders and was indebted to various parties, including the Canada Revenue Agency ("**CRA**"), for over \$2 million on account of unremitted employee payroll deductions, unremitted HST and corporate tax payable.

ACTIVITIES OF THE INTERIM RECEIVER

VGA Records

16. According to the affidavit of Saxon, he was unable to prepare annual financial statements for VGA for the fiscal years ended January 2023 and 2024, which includes the period from when the Shareholders' Agreement was executed, October 1, 2022, until there was a breakdown in the relationship of Surace and Reis in early 2024.
17. As such, the Interim Receiver was required to rely on third party information, including information from VGA customers and vendors, to review the state of VGA's finances. Some of the information requested had not been received by the time the First Report had to be filed with the Court (November 26, 2024) since certain third parties required more time to compile the information.

Correspondence with Customers and Suppliers

18. The Interim Receiver sent a letter to the Company's five key suppliers requesting a report by project detailing the total value of material delivered to each of the VGA Job sites from inception of each of the VGA Jobs through to the final shipment, or if not yet complete, then to the most recent shipment ("**Supplier Letter**"). A sample Supplier Letter is attached as **Appendix "C"**.

19. As of the writing of this First Report, the Interim Receiver has received responses from four of the five suppliers. One of the suppliers provided incomplete information and as such the Interim Receiver is continuing to follow up to request the missing information.
20. The Interim Receiver sent a letter to ten customers ("**Customer Letters**"), nine of whom had projects on Schedule A and one additional customer who VGA sent invoices to in fiscal years 2023 and 2024. The Customer Letters requested information with respect to each contract, its status, and associated payments. A sample Customer Letter is attached as **Appendix "D"**.
21. As of the writing of this First Report, the Interim Receiver has received responses from nine customers, one of which provided incomplete information. The Interim Receiver is in the process of reviewing the information received and following up with the customer for any missing information.

Correspondence with Reis

22. The Interim Receiver has to date written three letters to Reis ("**Reis Letters**") which included requests for the following information:
 - i) Copies of field reports for the VGA Jobs including weekly time records (detailing each site employee's name and weekly number of hours of work by project) submitted by the on-site field supervisor/foreman, for the period from July 1, 2023 to April 30, 2024 ("**Payroll Period**");
 - ii) Cost and profit estimates for each of the VGA Jobs, as well as the CentreCourt Construction project, as originally produced at the tendering stage;
 - iii) Collection status of any outstanding invoices payable to the Company, and specifically invoice numbers: 202416, 202415, 202414, 202413, 202412, 202411, 202410, 202409 and 202408, and all email correspondence with customers relating thereto;
 - iv) Super administrator access (complete access) to VGA's email server and Google Drive with domain: vgacarpentry.com, which in subsequent letters to Reis was extended to include Reis' username and password to his VGA email address; and

- v) Copy of all Schedule A contracts, and the Prime Condos contract, including contact information for each of these customers including contact name, mailing address, email addresses and phone numbers.
23. Certain information was provided by Reis in response to the Interim Receiver's Letters while other information continues to remain outstanding as detailed further herein. Attached as Appendix "E" are copies of the Reis Letters.

Correspondence with Saxon

24. On November 4, 2024, the Interim Receiver wrote to Saxon and requested certain accounting, payroll and banking records, the majority of which was subsequently received by the Interim Receiver. Attached as Appendix "F" is a copy of the Interim Receiver's letter to Saxon with the detailed list of information requested.
25. The Interim Receiver requested a copy of Saxon's accounting software file for VGA to review the Company's receivables and payroll, and to determine what bookkeeping records were kept by VGA, which was received from Saxon on November 16, 2024. Subsequently, on November 22 and 25, 2024, the Interim Receiver received two additional versions of the VGA accounting file from Saxon's office.

INTERIM RECEIVER'S FINDINGS TO DATE

VGA's Accounting Records

26. It appears that while entries were made in the VGA bookkeeping records regularly, the bookkeeping records could not be reconciled to the bank account throughout fiscal years-ended 2023 and 2024. The unreconciled differences between the bank records and the bookkeeping records were greater than \$1.0 million at any given time during this timeframe. The Interim Receiver contacted Saxon, who referred the Interim Receiver to his staff, who advised that a journal entry was recorded in the VGA accounting during the intervening period between November 17 to 25, 2024 to reconcile the VGA bank accounts to the VGA accounting records.
27. Saxon stated in his affidavit that he was unable to prepare financial statements for VGA for fiscal years 2023 and 2024. In his affidavit he laid the blame primarily on information that was not received from Surace related to amounts owing by Surace to VGA. The

Interim Receiver understands that the amounts listed on Schedule B of the Shareholder Agreement were meant to settle all related party transactions in dispute at the time.

28. In April 2024, CRA conducted a payroll audit which concluded that for the period of January 1, 2023 to March 31, 2024, there was approximately \$990,000 payable by VGA to CRA for unremitted payroll source deductions, including interest and penalties. On August 28, 2024, CRA issued to VGA requirements to pay for unremitted payroll, HST and corporate tax, totaling \$1,023,594.87, \$1,006,920.91 and \$73,586.86, respectively, including accumulated interest and penalties. As well, the requirements to pay were issued by CRA to CIBC, VGA's bank, and CRA began garnishing VGA's bank accounts in August 2024.
29. As such, beginning October 1, 2022 and throughout the period of the Shareholder Agreement, the VGA accounting records were incomplete, and remittances for payroll, HST and corporate tax were not made to CRA consistently.

VGA Accounts Receivable

30. As noted above, not all customers have responded to the Customer Letters and not all responses from customers were complete. However, in those instances where the customers provided information regarding the unpaid VGA invoices issued to them, that information was compared to the customer accounts receivable balances recorded in VGA's books and records. In certain instances, the Interim Receiver noted material differences between the customer information and VGA's books and records. The accounts receivable subledger received from Reis on November 18, 2024, as compared to the information received from certain customers, is attached as "**Appendix "G"**". Certain discrepancies are described below.

St. Clair West

31. VGA's records indicate that \$3,094.03 was owing by Canderel Group ("**Canderel**") in connection with a project known as 900 St. Clair West Limited Partnership, municipally known as 900 St. Clair West. Canderel informed the Interim Receiver that a payment in connection with invoice #202432 issued by VGA in May 2024 for \$9,196.01 was processed by Canderel but the cheque was never picked up by VGA. Furthermore, the project is now complete and Canderel has been able to release the holdback to VGA

since July 9, 2024 but VGA has not submitted the invoice and, as such, Canderel has not issued payment. The holdback payable to VGA is \$73,200 excluding HST. A copy of the correspondence with Canderel is attached as **Appendix “H”**.

The Carvalho

32. The Interim Receiver noted a material discrepancy with respect to the Gillam Group Inc. (“**Gillam**”) project known as The Carvalho, municipally known as 871 - 899 College Street. VGA’s accounts receivable subledger indicates that \$525,178.82 is owing from Gilliam. Gilliam advised the Interim Receiver by way of a letter from Les Weidman (“**Weidman Letter**”) that on May 18, 2023 Gilliam issued a notice of default (“**Default Letter**”) to Reis’ attention for failing to comply with VGA’s contractual obligations for the project. As noted in the Default Letter, “VGA agreed for Gillam to engage a third-party trade to complete the remaining scope items that were outstanding as at that time... As the cost of the backcharge exceeds the cost of all work completed by VGA, prior to their default, there are no further payments pending. In fact, there is currently a balance owing to Gillam on VGA’s account”. A copy of the Weidman Letter is attached as **Appendix “I”**.

Reunion Crossing

33. The Interim Receiver noted a material discrepancy with respect to the DK St. Clair Inc. (“**DK**”) project known as Reunion Crossing, municipally known as 1808 St. Clair Avenue West. VGA’s accounts receivable subledger indicates that \$525,178.82 is owing from DK. According to DK, there are no unpaid amounts owing to VGA. The Holdback in the amount of \$136,500 remains payable to VGA but it has not yet been invoiced by VGA. Included in the VGA subledger balance of \$525,178.82 was invoice # 2023125, which totaled \$158,407.92, net of holdback and inclusive of HST. DK notified the Interim Receiver in writing that invoice # 2023125 was paid, net of two credits issued for \$33,900, by way of electronic transfer. DK informed the Interim Receiver that it was advised by Reis that VGA’s bank account was changed from CIBC to Bank of Montreal (“**BMO Account**”) on August 15, 2023 and that the funds were to be paid to the BMO Account. A void cheque was provided to DK which identifies the BMO Account holder as VGA Carpentry (2023) Ltd., the predecessor name for Dupont. Therefore, it appears that Dupont collected an account receivable of VGA totaling \$124,507.92. The Interim

Receiver is not aware of this amount being reimbursed to VGA by Dupont and notes that there is no receivable from Dupont in the AR subledger. A copy of the Interim Receiver's correspondence with DK is attached as **Appendix "J"** which also includes DK's correspondence with Reis and the copy of the cancelled cheque which DK received from Reis.

VGA Payroll

Information from Reis

34. The Interim Receiver understands that VGA funded its payroll on a weekly basis. In order to determine the cost of labour for each of the VGA Jobs, the Interim Receiver requested in its letters to Reis copies of field reports submitted by the job site foreman to Reis. Reis stated in his letter to the Interim Receiver on November 18, 2024 (the "**November 18th Letter**") that the standard procedure for payroll purposes "was I received a call every Friday. There I was provided with workers and their hours worked. After the call I provided a time sheet..." to VGA's accountant in order to process the payroll. A copy of the November 18th letter is included as **Appendix "K"**. Reis also provided weekly time sheets for the period requested by the Interim Receiver, a sample of which is enclosed as **Appendix "L"**. The time sheets include, among other things, total hours paid by employee but there is no indication at which job site these employees worked. Reis informed the Interim Receiver that the information as to actual employee hours by VGA Job is not available.
35. The Interim Receiver requested access to Reis' email at vgacarpentry.com, hosted by Google's gmail, in order to search for weekly payroll correspondence from VGA Job foremen. Reis provided the Interim Receiver with credentials to his VGA email and google drive but they did not work.
36. The Interim Receiver made numerous requests from Reis for the aforesaid email access. Reis purported to provide access to the Interim Receiver, which in the view of the Interim Receiver should have been straightforward by providing a proper password. The final attempt included the Interim Receiver requesting that Reis attend at its office with his computer to give the Interim Receiver access to his email records. Reis attended as requested and showed the Interim Receiver that he had access to his emails on his cell phone. Reis then attempted to log in on one of the Interim Receiver's laptops using the

credentials he provided, but he was unable to do so. The Interim Receiver then requested that Reis provide access to his emails through his laptop, but Reis declined and left the Interim Receiver's offices. He then stated that he would immediately provide the Interim Receiver with access by way of a link to his email. He subsequently sent an email to the Interim Receiver which included six attachments which were illegible.

37. Attached as **Appendix "M"** are copies of emails between the Interim Receiver and Reis summarizing these requests.

Information from Pinzan

38. On November 21, 2024, the Interim Receiver held an in-person meeting with Daniel Pinzan ("**Pinzan**"), a foreman employed by VGA during the Payroll Period, to discuss which job sites he managed and what his practice was to report hours worked at his job sites to Reis ("**Pinzan Meeting**"). Pinzan explained that it was his practice to email Reis weekly, through his VGA email, an excel file that summarized total hours by day, by employee, including job site name and address. The Interim Receiver prepared a summary of the Pinzan Meeting which it then sent to Pinzan who confirmed the accuracy of the summary. The summary prepared by the Interim Receiver of the Pinzan Meeting is attached as **Appendix "N"**.

Kingsway Crescent

39. Pinzan advised that he worked as the foreman at one of the VGA Jobs' (Reliance Construction Group development project known as The Kingsway) during the Payroll Period until the end of the summer of 2023. Upon the completion of The Kingsway, Pinzan was assigned to a Harhay Developments' project known as "Kingsway Crescent". Kingsway Crescent is not one of the VGA Jobs. It was a Dupont job.
40. At Kingsway Crescent, Pinzan advised that he had approximately 8 - 10 labourers working onsite with him at any given time. Notwithstanding that Pinzan and his team were working for the benefit of Dupont, their wages continued to be funded by VGA. By reviewing the timesheets provided by Reis, the Interim Receiver confirmed that Pinzan was included on the VGA timesheets from the estimated start of the Kingsway Crescent job up to and including the week ending March 8, 2024 and was transferred to the Dupont payroll the week ending March 15, 2024. Pinzan further advised that he only received

one T4 in 2023 and his T4 lists VGA as his employer. A copy of the Pinzan 2023 T4 is included as **Appendix “O”** with amounts redacted.

41. In order to quantify the potential financial impact of the overstatement of payroll charged to VGA with regards to the Kingsway Crescent job, Pinzan identified the names of the labourers who worked on the Kingsway Crescent jobsite with him (“**Kingsway Labourers**”). Using the Company’s accounting software file provided by Saxon, the Interim Receiver ran a report on total earnings of Pinzan and the Kingsway Labourers from October 2023 to April 15, 2024, when all the VGA employees were terminated and transferred to Dupont. Total gross payroll paid to Pinzan and the Kingsway Labourers during that period was over \$500,000. The Kingsway Labourers were not included on the Dupont payroll during the period of October 2023 to April 15, 2024. It is possible that certain Kingsway Labourers had moved during this period to VGA Jobs for periods of time. If this occurred, the overstatement of VGA payroll of over \$500,000 would be reduced. Attached as **Appendix “P”** is a copy of the payroll report generated from VGA’s accounting software.
42. If Dupont payroll was regularly paid by VGA, it would explain at least in part the financial loss experienced by VGA during the Wind Down Plan period. Additionally, an overstated payroll in VGA would have also contributed to an overstatement of unremitted payroll source deductions payable to CRA during the same period, for which CRA has begun enforcement actions against VGA and its directors. In turn, Dupont’s payroll, and related source deductions would have been understated by the same amount.

45 Strachan

43. As discussed earlier in this First Report, the 45 Strachan contract is between Ellis Don and Dupont. Ellis Don advised that there were 3 to 4 workers (including the foreman) onsite intermittently from September to December 2023 and it provided the names of the individuals to the Interim Receiver. Two of the individuals (Kevin Furtado and Mark Burgess) were paid by VGA, and were not paid by Dupont, during this period, notwithstanding that they were working on a Dupont project. Gross VGA payroll for these two individuals cannot be quantified without access to time records by job.
44. The Interim Receiver is not aware of any reimbursement by Dupont to VGA for this job.

45. If the Interim Receiver was able to obtain payroll information by VGA Job, it would be able to determine whether any additional payroll of Dupont was funded by VGA.

Completeness of Schedule A of the Shareholders Agreement

46. It is the Interim Receiver's understanding that the Shareholders' Agreement, and its Schedule A, were meant to capture all open VGA contracts/projects as part of the Wind Down Plan.

CentreCourt Prime

47. Schedule A of the Shareholders Agreement lists two (2) projects to be completed for "CentreCourt", referred to as CentreCourt Construction (99BJW) Inc. and CentreCourt Construction (Eglinton) Inc. (collectively referred to as "**CentreCourt**"). Surace deposed in his Affidavit that, subsequent to the execution of the Shareholders Agreement, Reis "unilaterally" added a third CentreCourt project to the list in Schedule A, known as Prime, as a substitution for the Ellis Don/Bental 45 Strachan project.
48. The Interim Receiver received a copy of the CentreCourt Prime Contract from CentreCourt. The contract was executed on March 9, 2022, seven months prior to the date of the Shareholders' Agreement. As such, the Interim Receiver questions why this project was not originally included on Schedule A as a VGA Job rather than as a substitution for 45 Strachan.

45 Strachan

49. The Interim Receiver also wrote to Ellis Don which confirmed that 45 Strachan is a contract between Ellis Don and Dupont. A copy of the Interim Receiver's correspondence with Ellis Don is attached as **Appendix "Q"**. Ellis Don further advised that Reis submitted a quotation for the 45 Strachan project in August 2020 and that the LOI was executed in February 2021. As the submission of the quotation and the execution of the LOI all predate the execution of the Shareholders' Agreement, the Interim Receiver questions why this project would be removed from Schedule A.

CRA's Requirement to Pay

50. On November 4, 2024, the Interim Receiver wrote to CRA and CIBC, VGA's financial institution, to inform them that: (i) the Appointment Order had been issued and (ii) all

proceedings currently underway against or in respect of the Company were stayed, including the garnishment commenced by CRA of VGA's CIBC bank accounts. On November 1, 2024, CIBC had responded to CRA's garnishment by sending to CRA \$351,850.80 on deposit in VGA's CIBC account (the "**Account**"). This amount was sent to CRA after the issuance of the Appointment Order on October 22, 2024. The Interim Receiver wrote to CRA requesting that the funds be returned to the Account as the stay of proceedings commenced prior to the execution of the garnishment. To date, the Interim Receiver has not received a response from CRA despite attempts to follow up with representatives of CRA by phone.

51. On November 19, 2024, a further \$23,779.85 was withdrawn from the Account by CIBC and paid to CRA notwithstanding the notification of the granting of the Appointment Order provided by the Interim Receiver on November 4, 2024. Thereafter, the Interim Receiver contacted representatives of CIBC, who returned the \$23,779.85 amount to the Account.

CONCLUSIONS

52. The Interim Receiver has been working diligently to complete its review pursuant to the Appointment Order, but as outlined above, certain information remains outstanding from suppliers, customers and Reis. Receipt of such information would allow the Interim Receiver to further advance its review. As well, additional time to complete its review would also permit the Interim Receiver to interview additional former employees of VGA which may reveal additional irregularities.
53. Based on the review completed to date, the Interim Receiver notes the following findings:
 - i) VGA is not consistently issuing customer billings in a timely manner, which is delaying/impeding the Company's ability to meet its financial obligations;
 - ii) VGA's books and records do not reflect the current status of the VGA Jobs, and in particular the accounts receivable subledger is materially overstated for certain customer accounts;
 - iii) VGA receivables were redirected to Dupont for certain customer accounts, and there is no indication that any of these funds have been reimbursed;

- iv) VGA has funded a portion of the Dupont payroll, and there is no indication that any of these funds have been reimbursed;
- v) The VGA Jobs listed on Schedule A of the Shareholders Agreement excludes certain jobs initially awarded to and/or procured by VGA; and
- vi) VGA is insolvent and is unable to pay its bills as they become due.

All of which is respectfully submitted this 26th day of November, 2024.

DODICK LANDAU INC.

In its capacity as the Interim Receiver of
VGA Carpentry Limited and not
in its personal or corporate capacity.

Per:



Rahn Dodick, CPA, CA, CIRP, LIT
President

APPENDIX “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)	TUESDAY, THE 22ND
)	
JUSTICE PENNY)	DAY OF OCTOBER, 2024

NICOLA SURACE also known as NICK SURACE

Applicant

- and -

JASON REIS, V.G.A. CARPENTRY LIMITED, 1905247 ONTARIO INC., and
V.G.A. CARPENTRY (2023) LTD. now known as DUPONT CARPENTRY LIMITED

Respondents

APPLICATION PURSUANT TO SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.
1990, C. C-43, AS AMENDED, AND SECTION 248 OF THE *BUSINESS CORPORATIONS*
ACT, R.S.O. 1990, C B.16, AS AMENDED

ORDER
(appointing Interim Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Dodick Landau Inc. as receiver and manager (in such capacities, the "**Interim Receiver**") without security, of all of the assets, undertakings and properties of V.G.A. CARPENTRY LIMITED (the "**Company**") acquired for, or used in relation to a business (the "**Business**") carried on by the Company, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavits of Nicola Surace, sworn September 17, 2024 and October 11, 2024, and Nicholas Gareri, sworn September 17, 2024, and October 12, 2024, the cross-

examinations on October 17, 2024 of Nicola Surace and Nicholas Gareri and the affidavits of Jason Reis and Dennis Saxon, both sworn October 7, 2024, the Exhibits thereto and on hearing the submissions of counsel for the Applicant and the Respondents, no one appearing for V.G.A. Carpentry Limited although duly served as appears from the affidavit of service of Maureen McLaren sworn September 19, 2024 and on reading the consent of Dodick Landau Inc. to act as the Receiver,

APPOINTMENT

1. THIS COURT ORDERS that pursuant to section 101 of the CJA, Dodick Landau Inc. is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Company acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof (the "**Property**").

INTERIM RECEIVER'S POWERS

2. THIS COURT ORDERS that the Interim Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:

- (a) to review and have access to any and all financial information pertaining to the Business of the Company, including banking information, both on-line and in hard copy form;
- (b) to review and have access to any and all other information not referred to in subsection 2(a) of this Order pertaining to the Business, including, any business records, both in electronic and in hard copy form;
- (c) to engage consultants, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (d) to report to, meet with and discuss with such affected Persons (as defined below), including Jason Reis and Nicola Surace and/or their counsel, as the Interim Receiver deems appropriate on all matters relating to the Business and the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;
- (e) to inquire into and report to the Court on the financial condition of the Company and the Property; and
- (f) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Company, and without interference from any other Person. For greater clarity, the Company, the Applicant, Jason Reis and/or his counsel and the Company's accountants may:

- (a) With respect to Canada Revenue Agency ("CRA") issues and Ontario Employee Health Tax issues, continue to communicate, compromise, resolve and facilitate payment by the Company to the Receiver General for the CRA and the Minister of Revenue for Ontario;
- (b) With respect to billable items and accounts receivable continue any and all billing and collection efforts.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER

3. THIS COURT ORDERS that (i) the Company, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to, Nicola Surace, Nicholas Gareri, Lido Construction, Jason Reis, 1905247 Ontario Inc.,

V.G.A. Carpentry (2023) Ltd. now known as Dupont Carpentry Limited and the Canadian Imperial Bank of Commerce (“CIBC”) and any other banks and financial institutions (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence and amount of any liability to or from the Business and of any Property in such Person's possession or control, and, apart from CIBC, of any payments to or from the Business and shall grant immediate and continued access to the Property to the Interim Receiver.

4. THIS COURT ORDERS that all Persons, suppliers and customers of the Company, including without limitation CentreCourt Construction Co., shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, invoices, accounts, payment records, banking records, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 4 or in paragraph 5 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer, laptop or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records

as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

6. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE COMPANY OR THE PROPERTY

7. THIS COURT ORDERS that no Proceeding against or in respect of the Company or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Company or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

8. THIS COURT ORDERS that all rights and remedies against the Company, the Interim Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Interim Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Interim Receiver or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Company from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE INTERIM RECEIVER

9. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement,

licence or permit in favour of or held by the Company, without written consent of the Interim Receiver or leave of this Court.

CONTINUATION OF SERVICES

10. THIS COURT ORDERS that all Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Company are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Company's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

EMPLOYEES

11. THIS COURT ORDERS that all employees of the Company shall remain the employees of the Company until such time as the Interim Receiver, on the Company's behalf, may terminate the employment of such employees. The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA.

LIMITATION ON ENVIRONMENTAL LIABILITIES

12. THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the

Canadian Environmental Protection Act, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

13. THIS COURT ORDERS that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

INTERIM RECEIVER'S ACCOUNTS

14. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "**Interim Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, except for any security interest granted in favour of Canadian Imperial Bank of Commerce, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

15. THIS COURT ORDERS that the Interim Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Interim Receiver and its

legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

16. THIS COURT ORDERS that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

17. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$50,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Interim Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. THIS COURT ORDERS that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

19. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

20. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

REPORT TO THE COURT

21. THIS COURT ORDERS that the Interim Receiver shall, by November 26, 2024, prepare a report for approval of this Honourable Court setting out the details of its review of the Records and the Business pursuant to the terms of this Order.

SERVICE AND NOTICE

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

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

GENERAL

24. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

25. THIS COURT ORDERS that nothing in this Order shall prevent the Interim Receiver from acting as a trustee in bankruptcy of the Company.

26. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

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

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

29. THIS COURT ORDERS that this matter is adjourned without prejudice to either side's position, including whether the Order for an Interim Receiver should be terminated, to a further hearing before me on November 28, 2024 at 11:00 AM for two hours. The balance of the relief sought in the Notice of Application is adjourned to a date to be scheduled by the Court upon the request of the parties.

30. THIS COURT ORDERS that this Order and all of its provisions are effective as of the date of this Order without the need for entry or filing.



SCHEDULE "A"

INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Dodick Landau Inc., the Interim Receiver (the "**Interim Receiver**") of the assets, undertakings and properties of V.G.A. CARPENTRY LIMITED (the "**Company**") acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 22nd day of October, 2024 (the "**Order**") made in an action having Court file number CV-24-00726047-00CL, has received as such Interim Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Interim Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2024.

Dodick Landau Inc., solely in its capacity
as Interim Receiver of the Property, and not in
its personal capacity

Per: _____

Name:

Title:

NICOLA SURACE also known as NICK SURACE
Applicant

-and-

JASON REIS, et al.
Respondents

Court File No.: CV-24-00726047-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

ORDER
(APPOINTING INTERIM RECEIVER)

MILLER THOMSON LLP
Scotia Plaza, 40 King Street West, Suite 5800
P.O. Box 1011
Toronto, ON Canada M5H 3S1

Craig A. Mills, LSO No.: 40947B
cmills@millerthomson.com
Tel: 416.595.8596

Mark A. De Sanctis, LSO No.: 70563U
mdesantis@millerthomson.com
Tel: 905.532.6649

Lawyers for the Applicant, Nicola Surace

APPENDIX “B”



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-24-00726047-00CL DATE: OCTOBER 22 2024

NO. ON LIST: 3

TITLE OF PROCEEDING: SURACE v. REIS et al

BEFORE: JUSTICE PENNY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Craig A Mills	Nicola Surace	cmills@millerthomson.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Paul Stern	Reis, 1905, Dupont	416 859 3422 Ext. 324 pstern@sternlaw.ca
Margot Davis		416 869 3422 Ext. 324 margot@sternlaw.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE PENNY:

- [1] Surace and Reis are shareholders, officers and directors of VGA Carpentry. They are parties to a shareholders' agreement, the purpose of which was to transition Surace out of the business and for Reis to take it over. Existing work was identified in Sch A to the agreement. Sch A work was to be performed by VGA and the profits shared between Surace and Reis. New work was to be undertaken by a new entity, and be carried out and accounted for on Reis' account. Although simple enough in concept, it has turned out to be very complicated indeed.
- [2] Surace has serious concerns about the way the business is being operated. He alleges billings are not being sent out on a timely basis, accounts receivable are not being collected and that improper payments are being made to Reis out of revenues. Of great concern is the lack of transparency and lack of information being provided by Reis. Also of great concern is a CRA payable of over \$2 million on account of employee withholding, HST and taxes, the first two of which attract potential personal liability of directors. CRA has taken enforcement measures, seizing funds from VGA's bank account. Surace has brought an application under the oppression remedy and seeks, as the main relief today, the appointment of a full-blown receivership over all of the assets and undertaking of VGA.
- [3] At the outset of the hearing, Reis sought an adjournment on the basis of late-breaking information that the CRA had agreed to defer enforcement if VGA were able to develop a viable plan for repayment and provided satisfactory disclosure. This request was opposed. I took the request under reserve and heard full argument on the merits for the 2 hours booked for this hearing.
- [4] At the conclusion of the hearing, I indicated that I was not prepared to order a full-blown receivership but that, given the persistent problems of a lack of reliable, up to date information about the business and affairs of VGA and its successor or replacement, Dupont, I was going to appoint an interim receiver with powers to inspect and review all of the financial records of these companies and the power to require information from third parties in aid of this exercise.
- [5] I find that it is not just or convenient to order a full-blown receivership at this time. VGA is an operating business. There is no reliable evidence that it is insolvent. The appointment of a receiver is an extraordinary remedy. Unlike most receiverships on the Commercial List, there is no loan or other document providing for the appointment of a receiver. In this case, given the lack of accurate and reliable information, the appointment of a receiver is premature. Such an appointment would almost certainly destroy VGA as an operating entity. The record, replete with allegations and counter-allegations, does not permit a proper assessment of the causes of the problem or about the relative conduct of the parties. There is certainly a total lack of trust. It is not clear to me how long a receiver would have to be in place. There is no evidence about the cost of a receivership or its impact on the business. This is a relatively modest operation. It seems to me, at this stage, the appointment of a receiver is overkill. Further, I am not satisfied that a receiver is the only way to do what needs to be done.
- [6] It did become apparent during the submissions that there is indeed a total lack of accurate, up to date and reliable information about the business and affairs of the companies. Having that information is critical to even begin to address VGA's problems and the dispute between the two shareholders.
- [7] For this reason, I order that an interim receiver to appointed with powers limited to inspection and review of the business records of VGA and Dupont, including the power to obtain financial information about VGA and Dupont in the hands of third parties.
- [8] The receiver shall be entitled to a charge on VGA's assets to cover its costs. VGA will be liable for those costs. The allocation of the costs of the receivership as between Surace and Reis, however, will be dealt with later in these proceedings once the work of the receiver has been done and reported to the parties and to the court.

- [9] I direct counsel to negotiate the terms of the pared-down order contemplated above. If they are unable to agree, counsel shall provide me with a blackline version, highlighting the disputed provisions. I will decide what provisions shall apply.
- [10] This matter is adjourned without prejudice to either side's position to a further hearing before me on November 28, 2024 at 11:00 AM for two hours.

A handwritten signature in blue ink, appearing to read "Penny J.", followed by a period.

Penny J.

APPENDIX “C”

DELIVERED BY COURIER AND EMAIL: (misha@frontiermillwork.ca)

Frontier Inc. ("**Frontier**")
10 Jutland Road
Toronto, ON M8Z 2G9

November 6, 2024

Re: V.G.A Carpentry Limited

Dear Misha Bosnic,

On October 22, 2024, Dodick Landau Inc. was appointed as Interim Receiver ("**Interim Receiver**") over the assets, undertakings and properties of V.G.A. Carpentry Limited ("**VGA**" or the "**Company**") pursuant to an order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") issued under section 248 of the Business Corporations Act, as amended, and section 101 of the Courts of Justice Act, as amended ("**Appointment Order**"). A copy of the Appointment Order is attached.

Pursuant to discussions with the representatives of the Company we understand that your company is a critical supplier to VGA. Pursuant to paragraph 4 of the Appointment Order all suppliers have a duty to provide access and co-operation to the Interim Receiver. We are writing to obtain information on the value of material delivered to VGA contracts listed on Schedule A to this letter ("**VGA Jobs**"). Specifically, we are requesting a report by project that will detail the total value of material delivered by Frontier to each of the VGA Jobs from inception of each of the VGA Jobs through to the final shipment, or if not yet complete than to the most recent shipment.

In the event that after October 1, 2022, Frontier made shipments to VGA job sites other than those listed on Schedule A kindly provide the same reporting for these job sites as well.

Please provide this information as soon as it is available and by no later than **November 13, 2024**. Should you have any questions regarding the above or require additional information, please contact Naomi Lieberman of the office of the Interim Receiver directly at (416) 525-4212 or via email naomi.lieberman@dodick.ca.

Yours very truly,

Dodick Landau Inc.,
Acting as Interim Receiver of V.G.A Carpentry Limited
and not in its personal or corporate capacity.

Per:



Rahn Dodick CPA, CIRP, Licensed Insolvency Trustee

APPENDIX “D”



DELIVERED BY COURIER AND EMAIL: info@gillamgroup.com

Gillam Group Inc. ("**Gillam**")
36 Northline Rd,
Toronto, ON M4B 3E2

November 11, 2024

Attention: Mr. Aziz Allana

Re: V.G.A Carpentry Limited

Project: The Carvalo on College ("**Carvalo**") located at 899 College Street

Dear Mr. Allana,

On October 22, 2024, Dodick Landau Inc. was appointed as Interim Receiver ("**Interim Receiver**") over the assets, undertakings and properties of V.G.A. Carpentry Limited ("**VGA**" or the "**Company**") pursuant to an order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") issued under section 248 of the Business Corporations Act, as amended, and section 101 of the Courts of Justice Act, as amended ("**Appointment Order**"). A copy of the Appointment Order is attached.

Pursuant to discussions with the representatives of the Company we understand that Gillam is a customer of VGA. The Appointment Order requires the Interim Receiver to, among other things, inquire into and report to the Court on the financial condition of the Company and accordingly we are looking for Gillam to provide certain information.

Pursuant to paragraph 4 of the Appointment Order all customers have a duty to provide access and co-operation to the Interim Receiver. We are writing to request the following information regarding the Carvalo project:

- a) Copy of the Carvalo project contract, change orders, and back charges since the commencement of the Carvalo contract;
- b) An accounting by project of all payments made to VGA on account of Carvalo; and
- c) The current status of the Carvalo contract including the percentage completion, unpaid invoices and details of disputes, if any.

Please provide this information as soon as it is available and by no later than November 18, 2024.

Until further notice, all remaining amounts payable to VGA are to be paid in the normal course.

Dodick Landau Inc.
951 Wilson Avenue, Suite 15L, Toronto, Ontario, M3K 2A7



Should you have any questions regarding the above or require additional information, please contact Naomi Lieberman of the office of the Interim Receiver directly at (416) 525-4212 or via email: naomi.lieberman@dodick.ca.

Yours very truly,

Dodick Landau Inc.,
Acting as Interim Receiver of V.G.A Carpentry Limited
and not in its personal or corporate capacity.

Per:

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

Rahn Dodick CPA, CIRP, Licensed Insolvency Trustee

APPENDIX “E”



DELIVERED BY EMAIL: jason@vgacarpentry.com

November 4, 2024

Mr. Jason Reis,
1905247 Ontario Inc., and
V.G.A Carpentry (2023) Ltd, now known as Dupont Carpentry Limited
(collectively the “**Respondents**”)

Attention: Mr. Jason Reis

Re: V.G.A Carpentry Limited, in Interim Receivership

Dear Mr. Reis,

As you are aware, on October 22, 2024, Dodick Landau Inc. was appointed as Interim Receiver (“**Interim Receiver**”) over the assets, undertakings and properties of V.G.A. Carpentry Limited (“**VGA**” or the “**Company**”) pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) issued under section 248 of the Business Corporations Act, as amended, and section 101 of the Courts of Justice Act, as amended (“**Appointment Order**”) and signed by the Honourable Justice Penny on October 29, 2024. A copy of the Appointment Order is enclosed for your reference.

Pursuant to paragraphs 4 and 5 of the Appointment Order the Respondents have a duty to provide access and co-operation to the Interim Receiver. As such, we are writing to request the following preliminary information:

- a) Copies of field reports for each project including, specifically weekly time records (detailing each site employee’s name and weekly number of hours of work by project), submitted in the form of emails from the applicable field supervisor/foreman, from July 1, 2023 to April 30, 2024;
- b) Cost and profit estimate for each project listed on schedule A to the Shareholder Agreement dated October 1, 2022 (“**Schedule A**”) and the same information for the CentreCourt Construction project, as originally produced at the tendering stage;
- c) Collection status of any outstanding invoices payable to the Company and specifically including invoice numbers: 202416, 202415, 202414, 202413, 202412, 202411, 202410, 202409 and 202408, and all email correspondence with customers relating thereto;
- d) Super administrator access (complete access) to email server and Google Drive with domain: [vgacarpentry.com](mailto:jason@vgacarpentry.com); and



- e) Copy of all Schedule A contracts, and the Prime Condos contract, including contact information for each of these customers including contact name, mailing address, email addresses and phone numbers.

As the Court requires the Interim Receiver to produce a report to Court by November 26, 2024, we are under a tight timeline. As such, please provide the above information as it is available and by no later than Monday, November 11, 2024. It can be emailed to Naomi Lieberman at: naomi.lieberman@dodick.ca, or delivered to our office at: 951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7.

Should you have any questions regarding the above or require additional information, please contact Rahn Dodick of the office of the Interim Receiver directly at (416) 645-0552 or via email rahn.dodick@dodick.ca.

Yours very truly,

Dodick Landau Inc.,
Interim Receiver, V.G.A Carpentry Limited
and not in its personal or corporate capacity.

Per:

A handwritten signature in black ink, appearing to be 'Rahn Dodick'.

Rahn Dodick CPA, CIRP, Licensed Insolvency Trustee

Cc: Paul Stern: pstern@sternlaw.com – Legal Counsel for Respondents
Margot Davis: margot@sternlaw.com – Legal Counsel for Respondents

Enclosure



DELIVERED BY COURIER AND EMAIL: jason@vgacarpentry.com

November 15, 2024

Mr. Jason Reis
1905247 Ontario Inc., and
V.G.A Carpentry (2023) Ltd, now known as Dupont Carpentry Limited
(collectively the “**Respondents**”)

Attention: Mr. Jason Reis

Re: V.G.A Carpentry Limited, in Interim Receivership

Dear Mr. Reis,

As you are aware, on October 22, 2024, Dodick Landau Inc. was appointed as Interim Receiver (“**Interim Receiver**”) over the assets, undertakings and properties of V.G.A. Carpentry Limited (“**VGA**” or the “**Company**”) pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) issued under section 248 of the Business Corporations Act, as amended, and section 101 of the Courts of Justice Act, as amended (“**Appointment Order**”) and signed by the Honourable Justice Penny on October 29, 2024. A copy of the Appointment Order has been previously provided to you.

As you are further aware, pursuant to paragraphs 4 and 5 of the Appointment Order, as well as the October 22, 2024 endorsement of Justice Penny, the Respondents have a duty to provide access to all information in their possession and full co-operation to the Interim Receiver.

This letter is further to our initial information request dated November 4, 2024 (“**November 4th Letter**”) and our request for you to provide to us the information in the November 4th Letter by no later than November 11, 2024. To date, you have provided to us a portion of the information requested and in certain cases (as described below) you have provided information different from what was requested.

The purpose of this letter is to identify the information requested in the November 4th Letter that you have still not provided to date:

- a) Copies of field reports for each VGA project listed on Schedule “A” to the Shareholder Agreement (the “**Projects**”), including specifically weekly time records (detailing each site employee’s name and weekly number of hours of work by project), submitted in the form of emails from the applicable field supervisor/foreman, from July 1, 2023 to April 30, 2024. You have provided weekly VGA employee total hour reports which are not by employee and not by project. What you provided is not what we requested;
- b) Cost and profit estimates, as originally produced at the tendering stage, remain outstanding for all Projects. You have provided the pricing estimates for certain contracts, while we requested the cost and profit estimates.

Furthermore, we note that you provided the pricing estimates for all Projects except for Block 8 and Strachan. Kindly provide the pricing schedules for those final two contracts as well;

- c) Collection status of ALL outstanding invoices payable to the Company. An accounts receivable subledger by project from your accounting system would be ideal, otherwise, should this not be available, a schedule summarizing this information. In addition, all email correspondence with customers relating to the collection of these accounts;
- d) On November 13th, a VGA email address was created for Naomi Lieberman but “super administrator” access has not been granted to date. Ms. Lieberman has only received regular user access. As previously requested, please provide Ms. Lieberman with “super administrator” access (complete access) to the email server and all files on the Google Drive with domain: vgacarpentry.com. Please also provide to Ms. Lieberman full access to your email at the email address: jason@vgacarpentry.com;
- e) Certain contracts for the Projects were provided to us, however, the following contracts remain outstanding: Daniels for Block 8, Ellis Don for 45 Strachan, Reliance Construction for 71 Redpath and 293 The Kingsway; and
- f) Further, as previously requested, we require contact information for all customers in connection with the Projects including contact name, mailing address, email addresses and phone numbers.

In addition to the information requested in the November 4th Letter, we are also requesting:

- a) Copies of field reports for each Dupont project, including specifically weekly time records (detailing each site employee’s name and weekly number of hours of work by project), submitted in the form of emails from the applicable field supervisor/foreman, from July 1, 2023 to April 30, 2024; and
- b) Please provide the name of the foreman for each VGA or Dupont project who was responsible for emailing the weekly time reports.

As the Interim Receiver is required to produce a report to Court by November 26, 2024, we continue to operate under a tight timeline. As such, please provide the above information as soon as possible and in any event by no later than Monday, November 18, 2024. Please email the information to Naomi Lieberman at: naomi.lieberman@dodick.ca.

Please note that the Interim Receiver’s report will include details of any information that you have refused or failed to provide to us on a timely basis.

Should you have any questions regarding the above or require additional information, please contact Rahn Dodick of the office of the Interim Receiver directly at (416) 645-0552 or via email rahn.dodick@dodick.ca.

DODICK LANDAU

Yours very truly,

Dodick Landau Inc.,
Interim Receiver, V.G.A Carpentry Limited
and not in its personal or corporate capacity.

Per:

A handwritten signature in black ink, appearing to be 'R. Dodick', written over a horizontal line.

Rahn Dodick CPA, CIRP, Licensed Insolvency Trustee

Cc: Paul Stern: pstern@sternlaw.ca – Legal Counsel for Respondents
Margot Davis: margot@sternlaw.ca – Legal Counsel for Respondents
George Benchetrit: george@chaitons.com – Legal counsel for Interim Receiver



DELIVERED BY COURIER AND EMAIL: jason@vgacarpentry.com

November 20, 2024

Mr. Jason Reis
1905247 Ontario Inc., and
V.G.A Carpentry (2023) Ltd, now known as Dupont Carpentry Limited
(collectively the “**Respondents**”)

Attention: Mr. Jason Reis

Re: V.G.A Carpentry Limited, in Interim Receivership

Dear Mr. Reis,

As you are aware, on October 22, 2024, Dodick Landau Inc. was appointed as Interim Receiver (“**Interim Receiver**”) over the assets, undertakings and properties of V.G.A. Carpentry Limited (“**VGA**” or the “**Company**”) pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) issued under section 248 of the Business Corporations Act, as amended, and section 101 of the Courts of Justice Act, as amended (“**Appointment Order**”) and signed by the Honourable Justice Penny on October 29, 2024. A copy of the Appointment Order has been previously provided to you.

As you are further aware, pursuant to paragraphs 4 and 5 of the Appointment Order, as well as the October 22, 2024 endorsement of Justice Penny, the Respondents have a duty to provide access to all information in their possession and full co-operation to the Interim Receiver.

This letter is further to our information requests dated November 4, 2024 and November 15, 2024 respectively (jointly the “**Letters**”). To date, you have not provided to the Interim Receiver all the information it requested in accordance with the Appointment Order and the endorsement of the Honourable Justice Penny.

The purpose of this letter is to again identify the information requested in the Letters that you have still not provided to date to the Interim Receiver:

- a) Cost and profit estimates, as originally produced at the tendering stage, remain outstanding for all Projects. You have provided the pricing estimates for certain contracts, while we requested the cost and profit estimates.

While we appreciate that VGA never provided cost and profit estimates to customers we understand that such estimates were created for internal purposes in order to ultimately determine pricing which is normal industry practice. Please provide them.

- b) An accounts receivable subledger was provided but we have not received all email correspondence with customers relating to the collection of these accounts;

- c) On November 13th, a VGA email address was created for Naomi Lieberman but “super administrator” access has not been granted to date. Ms. Lieberman has only received regular user access. As previously requested, please provide Ms. Lieberman with “super administrator” access (complete access) to the email server and all files on the Google Drive with domain: vgacarpentry.com. Should Ms. Lieberman be required to take further steps please contact her directly at 416-525-4212 to direct what steps are required;

Again, we have also requested but not been provided access to YOUR email at the email address: jason@vgacarpentry.com; and

- d) Please provide the names of the foreman or site supervisor for each VGA Project or Dupont Project. You have provided only two names. Given that there were at least eight projects ongoing during the time in question it is not possible that there were only two foreman or site supervisors. Please provide additional names as well as contact numbers for each individual.

As the Interim Receiver is required to produce a report to Court by November 26, 2024, we continue to operate under a tight timeline. As such, please provide the above information as soon as possible and in any event by no later than Thursday, November 21, 2024. Please email the information to Naomi Lieberman at: naomi.lieberman@dodick.ca.

Please note, as previously advised, the Interim Receiver’s report will include details of any information that you have refused or failed to provide to us on a timely basis.

Should you have any questions regarding the above or require additional information, please contact Rahn Dodick of the office of the Interim Receiver directly at (416) 645-0552 or via email rahn.dodick@dodick.ca.

Yours very truly,

Dodick Landau Inc.,
Interim Receiver, V.G.A Carpentry Limited
and not in its personal or corporate capacity.

Per:



Rahn Dodick CPA, CIRP, Licensed Insolvency Trustee

Cc: Paul Stern: pstern@sternlaw.ca – Legal Counsel for Respondents
Margot Davis: margot@sternlaw.ca – Legal Counsel for Respondents
George Benchetrit: george@chaitons.com – Legal counsel for Interim Receiver

APPENDIX “F”



DELIVERED BY COURIER AND EMAIL: dennis@saxongroup.com

November 6, 2024

Dennis H. Saxon Chartered Professional Accountant
2600 Skymark Ave Building 6, Suite 201,
Mississauga, ON L4W 5B2

Attention: Mr. Dennis Saxon

Re: V.G.A Carpentry Limited, in Interim Receivership

Dear Mr. Saxon,

On October 22, 2024, Dodick Landau Inc. was appointed as Interim Receiver ("**Interim Receiver**") over the assets, undertakings and properties of V.G.A. Carpentry Limited ("**VGA**" or the "**Company**") pursuant to an order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") issued under section 248 of the Business Corporations Act, as amended, and section 101 of the Courts of Justice Act, as amended ("**Appointment Order**") and signed by the Honourable Justice Penny on October 29, 2024. A copy of the Appointment Order is enclosed for your reference.

Pursuant to paragraph 4 of the Appointment Order your firm in its capacity as the Company's accountant has a duty to provide access and co-operation to the Interim Receiver. As such, we are writing to request the following preliminary information:

- a) Copy of the current Quickbooks data file of VGA;
- b) Copies of employee hourly payroll submissions received from the Company for the period from July 1, 2023 to April 30, 2024;
- c) Copies of the T4's issued for the VGA employees for 2023;
- d) Last completed bank reconciliation and the status of the Company's bookkeeping; and
- e) Most recent financial statements prepared, and tax returns filed with CRA, by your firm for VGA.

As the Court requires the Interim Receiver to produce a report to Court by November 26, 2024, we are under a tight timeline. As such, please provide the above information as it is available and by no later than Wednesday, November 13, 2024. It can be emailed to Naomi Lieberman at: naomi.lieberman@dodick.ca, or delivered to our office at: 951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7.

Should you have any questions regarding the above or require additional information, please contact Naomi Lieberman of the office of the Interim Receiver directly at (416) 525-4212 or via email naomi.lieberman@dodick.ca.



Yours very truly,

Dodick Landau Inc.,
Interim Receiver, V.G.A Carpentry Limited
and not in its personal or corporate capacity.

Per:

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

Rahn Dodick CPA, CIRP, Licensed Insolvency Trustee

Enclosure

APPENDIX “G”

VGA Carpentry A/R Aging Summary

As of November 18, 2024

	AR Provided by Reis	Customer Confirmation of Remaining Amounts Payable on Contract	Notes
346 Davenport (Yorkville) Development Ltd	61,021.58	61,021.58	
900 St. Clair West Limited Partnership	3,094.03	83,300.25	1
CentreCourt Construction (99 BJW) Inc	0	247,931.71	2
CentreCourt Construction (Eglinton) Inc	0.51	142,753.18	3
CentreCourt Construction (Jarvis) Inc	0	559,649.43	4
Daniels BAIF Thornhill Inc	92,558.98	not yet provided	
Daniels Corporation	3,729.00	not yet provided	
Daniels HR Corporation	-169.5	not yet provided	
Daniels Humber River Corporation	142,071.29	not yet provided	
Daniels Leslieville Corporation	74.42	not yet provided	
Daniels QQ Corporation	-439.73	not yet provided	
Daniels Rosebank Park	339.06	not yet provided	
DK St. Clair Inc	450,448.59	136,500	5
Fram Slokker 55 Port L.P.	63,031.41	not yet provided	
Gilliam Group Inc	525,178.82	NIL	6
Grid (Logan) Inc	152,605.36	84,186.67	7
Reliance Construction Toronto	253,679.04	NIL	8
Tofino Door & Trim	96,926.37	unknown	
TOTAL	\$1,844,149.23	\$1,315,342.82	

Notes:

1. Canderel indicates that \$9,196.01 was processed but never picked up. The holdback of \$73,200 plus HST can be released once VGA invoices same.
2. CentreCourt indicates that \$247,931.71 plus HST remains payable under the contract
3. CentreCourt indicates that \$142,753.18 plus HST remains payable under the contract
4. CentreCourt indicates that \$559,649.43 plus HST remains payable under the contract
5. DK indicates that the \$136,500 plus HST remains payable under the contract.
6. Gillam indicates that VGA failed to fulfill its contractual obligations and that nothing further is payable.
7. Oben Group indicated that \$84,186.67 are held cheques. There are estimated back charges and disputes totaling at least approximately \$63,000 as such it is possible that only a nominal amount will still be collectible. This was communicated to VGA on February 7, 2024.
8. Reliance indicates that nothing further is payable. The Interim Receiver's review is ongoing.

APPENDIX “H”



Naomi Lieberman <naomi.lieberman@dodick.ca>

V.G.A. Carpentry Inc.

Joshua Berger <JBerger@canderel.com>
To: Naomi Lieberman <naomi.lieberman@dodick.ca>
Cc: "rahn.dodick@dodick.ca" <rahn.dodick@dodick.ca>

Mon, Nov 25, 2024 at 3:38 PM

Holdback eligible after July 9th.



Joshua Berger
Vice President, Investments & Development

Canderel
jberger@canderel.com
C +1 416 709-5738

From: Joshua Berger
Sent: Monday, November 25, 2024 2:19:06 PM
To: Naomi Lieberman <naomi.lieberman@dodick.ca>
Cc: rahn.dodick@dodick.ca <rahn.dodick@dodick.ca>
Subject: RE: FW: V.G.A. Carpentry Inc.

[Quoted text hidden]



Naomi Lieberman <naomi.lieberman@dodick.ca>

V.G.A. Carpentry Inc.

Joshua Berger <JBerger@canderel.com>

Mon, Nov 25, 2024 at 2:19 PM

To: Naomi Lieberman <naomi.lieberman@dodick.ca>

Cc: "rahn.dodick@dodick.ca" <rahn.dodick@dodick.ca>

Hi Naomi,

I received this from our accounting team:

- Invoice #202432 is in the amount of \$9,196.01. Cheque was never picked up.
- HB total is correct.

Kind regards,

Josh

**Joshua Berger**
Vice President, Investments & Development**Canderel**
jberger@canderel.com
C +1 416 709-5738

From: Naomi Lieberman <naomi.lieberman@dodick.ca>**Sent:** Monday, November 25, 2024 2:00 PM**To:** Joshua Berger <JBerger@canderel.com>

[Quoted text hidden]

[Quoted text hidden]

[Quoted text hidden]



Naomi Lieberman <naomi.lieberman@dodick.ca>

V.G.A. Carpentry Inc.

Naomi Lieberman <naomi.lieberman@dodick.ca>
To: Joshua Berger <JBerger@canderel.com>
Cc: "rahn.dodick@dodick.ca" <rahn.dodick@dodick.ca>

Mon, Nov 25, 2024 at 1:59 PM

Hi Josh,

Further to our discussion, the project at 900 St. Clair West has been completed. You advised that the following amounts are payable by Canderel to VGA in connection with 900 St. Clair West:

- 1) Invoice #202432 for \$10,100.25. Payment was issued but the cheque was never picked up by a representative of VGA and remains on hand.
- 2) Holdback totaling \$73,200 can be released but VGA never issued an invoice to Canderel to initiate payment.

Please confirm by return email that the above is accurate.

Thank you,
Naomi

Naomi Lieberman, CPA, CA, CIRP, LIT | Senior Manager

Dodick & Associates Inc. and Dodick Landau Inc.
951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7
Mobile: [416 525 4212](tel:4165254212) | Fax: [1-866-874-1791](tel:18668741791)

naomi.lieberman@dodick.ca
www.dodick.ca

[Quoted text hidden]

APPENDIX “I”



November 18, 2024

sent via: email

Dodick Landau Inc.

951 Wilson Avenue, Suite 15L
Toronto, ON, M3K 2A7

Attention: Rahn Dodick
rahn.dodick@dodick.ca

RE: V.G.A Carpentry Limited - Request for Information

Dear Mr. Dodick:

We acknowledge receipt of your letter dated November 11, 2024. Gillam Group Inc. ("**Gillam**") entered into a subcontract agreement with V.G.A Carpentry Limited ("**VGA**") to complete the Trim and Rough Carpentry scope of work on The Carvalo on College ("**Carvalo**") project located at 899 College Street, Toronto dated January 6, 2022.

In response to your request for information, please find attached the following documents:

1. Appendix A1 – Copy of the subcontract agreement between VGA and Gillam
Appendix A2 - Summary and copy of all change orders and backcharges
2. Appendix B – Summary of all payments made to VGA.
3. Appendix C – Unpaid Invoices from VGA nullified by the backcharge

Please note, VGA was issued a Notice of Default on May 18, 2023 for failing to comply with their contractual obligations for the project. See "Appendix D". As noted in the letter, VGA agreed for Gillam to engage a third party trade to complete the remaining scope items that were outstanding as of that time. All costs that Gillam incurred were reconciled with VGA and summarized in an e-mail dated April 16, 2024. As the cost of the backcharge exceeds the cost of all work completed by VGA, prior to their default, there are no further payments pending. In fact, there is currently a balance owing to Gillam on VGA's account as well as costs incurred by Gillam to manage the subcontract on behalf of VGA which have not yet been accounted for.

We trust that the above is satisfactory.

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

Les Weidman
Vice President
Gillam Construction Group Ltd.

c: Craig Lesurf, Les Weidman, Aziz Allana – Gillam



APPENDIX “J”



Naomi Lieberman <naomi.lieberman@dodick.ca>

V.G.A. Carpentry Inc

Agnes Kohr <akohr@kilmergroup.com>
To: Naomi Lieberman <naomi.lieberman@dodick.ca>

Mon, Nov 25, 2024 at 6:05 PM

Hi Naomi,

See attached banking info where the \$124,507.92 for inv#2023125 less credit invoice 202429/May 7, 2024 of \$33,900 was sent. The banking info was changed on Aug 15, 2023 from CIBC to BMO.

Regards,

Agnes

From: Naomi Lieberman <naomi.lieberman@dodick.ca>
Sent: November 25, 2024 3:58 PM
To: Agnes Kohr <akohr@kilmergroup.com>
Cc: Rahn Dodick <rahn.dodick@dodick.ca>; Ty Diamond <tdiamond@diamondkilmer.ca>

[Quoted text hidden]

[Quoted text hidden]

 **VGA Carperntry updated Aug 10, 2023.pdf**
44K

V.G.A. CARPENTRY (2023) LTD.
534 Perth Avenue
Toronto, Ontario M6N 2W7

BMO Bank of Montreal
2859 Dundas St. W.
Toronto, ON M6P 1Y9

000018

PAY

TO THE
ORDER
OF

VOID

\$

V.G.A. CARPENTRY (2023) LTD.

PER _____

⑈000018⑈ ⑆03992⑈001⑆ 1992⑈760⑈

V.G.A. CARPENTRY (2023) LTD.

000018

V.G.A. CARPENTRY (2023) LTD.

000018

From: [Christopher Toth](#)
To: [Agnes Kohr](#)
Subject: Fwd: VGA Carpentry (2023) Ltd
Date: August 10, 2023 12:01:10 PM
Attachments: [Scan 1.pdf](#)
[Void Cheque.pdf](#)

Hi Agnes,

Can you please use this new banking info for VGA payments.

Thank you,

Chris Toth
Diamond Kilmer Developments
416-844-4179

Begin forwarded message:

From: Jason Reis VGA Carpentry <jason@vgacarpentry.com>
Date: August 9, 2023 at 3:38:10 PM EDT
To: Christopher Toth <ctoth@diamondkilmer.ca>
Subject: Re: VGA Carpentry (2023) Ltd

[Caution: External Sender]

Chris,

Please see attached as requested

Regards
Jason Reis
VGA Carpentry Limited

On Aug 9, 2023, at 3:36 PM, Jason Reis VGA Carpentry
<jason@vgacarpentry.com> wrote:

Hi Chris,

Please see attached as requested

Regards
Jason Reis
VGA Carpentry Limited

APPENDIX “K”

Delivered by Email

November 18, 2024

Dodick Landau Inc.,

Interim Receiver, V.G.A Carpentry Limited
and not in its personal or corporate capacity
951 Wilson Avenue Unit 15L
Downsview, ON M3K 2A7

Attention: Rahn Dodick (rahn.dodick@dodick.ca)

Dear Mr. Dodick,

Our responses to the letter of November 15, 2024 are provided.

a) Copies of field reports for each VGA project listed on Schedule “A” to the Shareholder Agreement (the “Projects”), including specifically weekly time records (detailing each site employee’s name and weekly number of hours of work by project), submitted in the form of emails from the applicable field supervisor/foreman, from July 1, 2023 to April 30, 2024. You have provided weekly VGA employee total hour reports which are not by employee and not by project. What you provided is not what the we requested;

VGA’s standard procedure between Mr. Surace and I, including before our dispute, was I received a call every Friday. There, I was provided with the workers and their hours worked.

After the call, I provided a time sheet to Alice Wu (“Ms. Wu”), my accountant’s assistant. I prepared an Excel sheet, which was converted into a PDF, with the worker, their hours worked, any overtime hours worked and parking costs. Ms. Wu made payments to the workers on behalf of VGA.

These times sheets are found in the material I provided on November 11, 2024. They are referred to as “Time Sheets”.

b) Cost and profit estimates, as originally produced at the tendering stage, remain outstanding for all Projects. You have provided the pricing estimates for certain contracts, while we requested the cost and profit estimates. Furthermore, we note that you provided the pricing estimates for all Projects except for Block 8 and Strachan. Kindly provide the pricing schedules for those final two contracts as well;

VGA never provided costs and profits estimates. VGA provided comprehensive material costs which I provided November 11, 2024. The relevant material for Block 8 and Strachan is attached in the folder “Pricing Estimates”.

c) Collection status of ALL outstanding invoices payable to the Company. An accounts

receivable subledger by project from your accounting system would be ideal, otherwise, should this not be available, a schedule summarizing this information. In addition, all email correspondence with customers relating to the collection of these accounts

My accountant's firm, Saxon Group, provided this material to me the morning of November 18, 2024. The invoices are found in the attached folder "Accounts Receivable-Subledger".

d) On November 13th, a VGA email address was created for Naomi Lieberman but "super administrator" access has not been granted to date. Ms. Lieberman has only received regular user access. As previously requested, please provide Ms. Lieberman with "super administrator" access (complete access) to the email server and all files on the Google Drive with domain: vgacarpentry.com. Please also provide to Ms. Lieberman full access to your email at the email address: jason@vgacarpentry.com;

I had IT trouble and have received IT consulting advice. I have created an email address for Ms. Lieberman. I have listed her as a super-administrator on the file. She needs to send me the confirmation and I think I then need to approve it. So I am about to initiate the link – she will need to respond to me - she will have to acknowledge she has received access from Gmail and she then sends me that notification from Gmail. Then, I will agree to her access within Gmail as directed.

e) Certain contracts for the Projects were provided to us, however, the following contracts remain outstanding: Daniels for Block 8, Ellis Don for 45 Strachan, Reliance Construction for 71 Redpath and 293 The Kingsway; and

Daniels for Block 8: I have found the contract and will send the Novation Agreement. Mr. Surace already has a copy of the contract, including the Assignment Agreement and the Novation Agreement.

Reliance Contracts: I have not located the link from three years ago. I have asked their project coordinator to provide the paperwork. I expect it imminently.

Ellis Don for 45 Strachan: Currently, there is no contract due to the current dispute and the job being delayed from 2022 to 2024. They have asked Dupont to take over the project. Dupont have started work on the job. We expect a contract within the next two weeks. It will provide for 10% back to VGA as in the Daniels agreements.

f) Further, as previously requested, we require contact information for all customers in connection with the Projects including contact name, mailing address, email addresses and phone numbers

This material is in the attached .pdf “Company Directory”.

In addition to the November 4 letter

a) Copies of field reports for each Dupont project, including specifically weekly time records (detailing each site employee’s name and weekly number of hours of work by project), submitted in the form of emails from the applicable field supervisor/foreman, from July 1, 2023 to April 30, 2024; and

As noted, there were not time sheets – there was a telephone call, every Friday, by the site supervisor to me, put into a spread sheet and sent to Alice.

b) Please provide the name of the foreman for each VGA or Dupont project who was responsible for emailing the weekly time reports.

The Dupont time sheets are attached as “Dupont Time Sheets”.

The foremen are David Glasbergen and Kevin Furtado.

Please note that Mr. Saxon would appreciate receiving from you or through you from Mr. Surace details concerning funds taken for personal expenditures but recorded as business expenses, so that he may complete the financial statements.

Your very truly,

Jason Reis

Paul Stern: pstern@sternlaw.ca – Legal Counsel for Respondents

Margot Davis: margot@sternlaw.ca – Legal Counsel for Respondents

APPENDIX “L”

V.G.A Carpentry Limited

170 Lloyd Manor Road Etobicoke, ON M9B 5K3

Telephone: 416-676-1456

PERIOD ENDING : SEPTEMBER 22ND 2023

<u>EMPLOYEE</u>	<u>HOURS</u>	<u>OT</u>	<u>2OT</u>	<u>PARKING</u>
ACOSTA, JONATHAN KYLE	32	0	0	\$ 0.00
AHUMADA, SEBASTIAN	40	0	0	\$ 0.00
ANDRADE, RICHARD VIEIRA	40	0	0	\$ 0.00
ASIBEY, DEWAYNE	40	0	0	\$ 0.00
BRAICO, DYLAN	40	0	0	\$ 0.00
BROOKS, TED	40	0	0	\$ 0.00
BROWN, DARRELL	32	0	0	\$ 0.00
BRUM, ERIC	40	0	0	\$ 0.00
BUDDING, ROBERT	40	0	0	\$ 0.00
BULFON, DYLAN	32	0	0	\$ 0.00
BURGESS, MARK	40	0	0	\$ 0.00
CACCIATORE, ANTHONY	40	0	0	\$ 0.00
CARREIRO, LUDGERO	40	0	0	\$ 0.00
CHARNOCK, NOLAN	39.5	0	0	\$ 0.00
COLLINS, KYLE	34	0	0	\$ 0.00
CRAIGG, RANDOLPH	40	0	0	\$ 0.00
DAVIS, MALACHI	40	0	0	\$ 0.00
DE GUZMAN, JOSEPH	38	0	0	\$ 0.00
DE OLIVEIRA, RONIERISON QUEIROZ MONTEIRO	40	0	0	\$ 0.00
DE SOUSA FILHO, SANSAO	40	0	0	\$ 0.00
DEANS, ANDRE	40	0	0	\$ 0.00
DIAS, DAVEY	0	0	0	\$ 0.00
DUMONT, DONRICK	32	0	0	\$ 0.00
EBRAHIMI, AJDAR	24	0	0	\$ 0.00
ESHETE, GIZACHEW KASSAYE	40	0	0	\$ 0.00
EUGENIO, RUI	40	0	0	\$ 0.00
FATEL, LINCOLN ALVES	37	0	0	\$ 0.00
FAVERI, DANIEL	40	2	0	\$ 0.00
FEARON, KYLE	29	0	0	\$ 0.00
FERNANDES, PIERCE	40	0	0	\$ 0.00
FRANCIS, DIOGO	40	0	0	\$ 0.00
FRANCIS-HARVEY, JASON	40	0	0	\$ 0.00
FURTADO, KEVIN	40	2	0	\$ 0.00
GIRALDI, MIKE	40	0	0	\$ 0.00
GLASBERGEN, DAVID	40	2	0	\$ 0.00
GOULART, KEVIN	40	0	0	\$ 0.00

HENRY, LUCIUS	32	0	0	\$	0.00
KIERAN, GRANT	40	0	0	\$	0.00
KOROLEVYCH, YAROSLAV	40	0	0	\$	0.00
KOWALCZYK, CHRISTOPHER	40	0	0	\$	0.00
LE, PHILLIP	32	0	0	\$	0.00
LE, THANG	40	0	0	\$	0.00
MAGARELLI, CLAUDIO	40	0	0	\$	0.00
MANNING, TREVON	31.5	0	0	\$	0.00
MATTHEW, ANDERSON	40	0	0	\$	0.00
MICHALSKI, MICHAEL	40	3	0	\$	0.00
MONTEITH, DAYSHAWN	39	0	0	\$	0.00
PATTERSON, MARK	40	0	0	\$	0.00
PEREIRA, CESAR	40	0	0	\$	0.00
PEREIRA, JAILTON DOS SANTOS	40	0	0	\$	0.00
PEREIRA, PAUL	40	0	0	\$	0.00
PHILLIPS, BRIAN	40	0	0	\$	0.00
PINZAN, DANIEL	40	0	0	\$	0.00
RAMALHO DE ALMEIDA, MOISES	40	0	0	\$	0.00
REIS, JASON	40	0	0	\$	0.00
SALAZAR, DAVID	40	0	0	\$	0.00
SARTI, GUILHERME FERRAZ DE ARRUDA	40	0	0	\$	0.00
SMITH, VEROL	40	0	0	\$	0.00
SODRE, JORGE	40	0	0	\$	0.00
SOURIEL, STEVE	40	0	0	\$	0.00
TARAFSHIKU, ENIS	40	1	0	\$	0.00
TIMMS, JOHNATHAN	24	0	0	\$	0.00
THOMAS, PETER	40	4	0	\$	0.00
THOMPSON, JADE	40	0	0	\$	0.00
ULERIO, GERALDO	40	0	0	\$	0.00
VARGA, KEVIN	40	0	0	\$	0.00
VIEIRA, JONATHAN	40	0	0	\$	0.00
VIRGOLINO, FABIANO	40	1.5	0	\$	0.00
WATKINS, STEVE	40	0	0	\$	0.00
WATKINS, MATTHEW	40	0	0	\$	0.00
TOTALS	2648	15.5	0	\$	0.00

APPENDIX “M”



Naomi Lieberman <naomi.lieberman@dodick.ca>

pwd8 messages

Paul Stern <pstern@sternlaw.ca>
Reply-To: pstern@sternlaw.ca
To: naomi.lieberman@dodick.ca
Cc: Margot Davis <margot@sternlaw.ca>

Sat, Nov 23, 2024 at 11:01 AM

We got it from the attached – please try again.

Sorry about the difficulties.

Private, confidential

Paul Stern

Stern Landesman Clark LLP

Attention: Paul Stern

Office: (416) 869-3422 x. 321

Toll Free: 1 (800) 882-9635

Fax: (416) 869-3449

Paul Stern cellular: (416) 712-0428

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

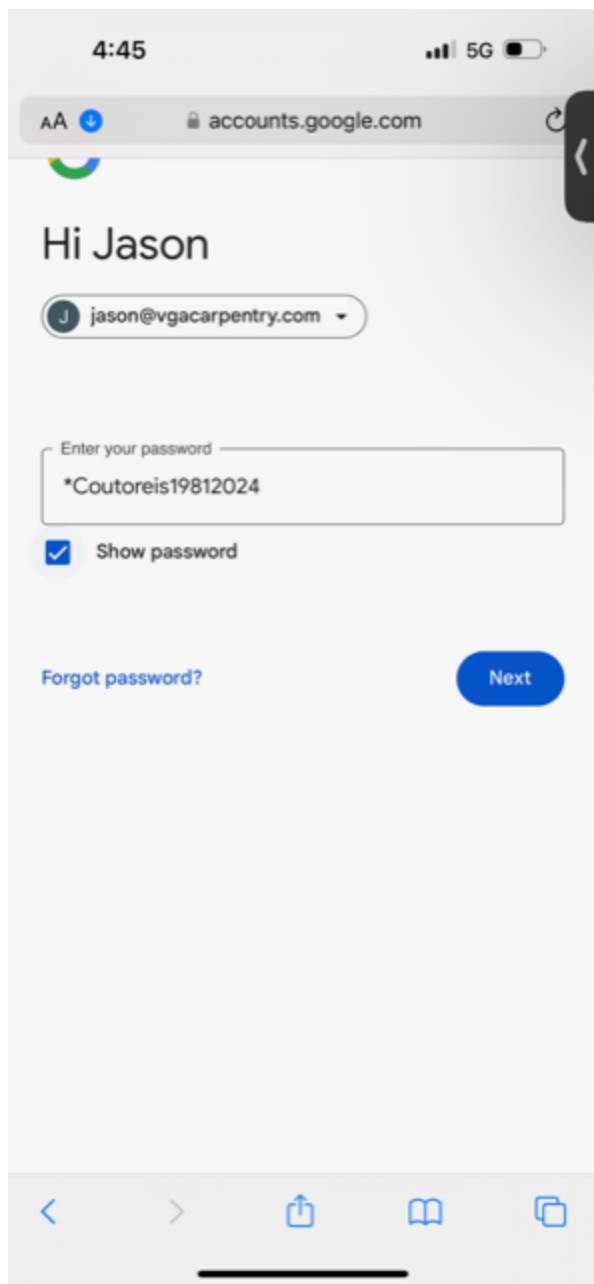
From: Jason Reis <jason@dupontcarpentry.com>
To: <pstern@sternlaw.ca>
Cc: Margot Davis <margot@sternlaw.ca>
Bcc:
Date: Fri, 22 Nov 2024 16:47:28 -0500
Subject: Re: VGA -
Paul,

See attached screenshot

Regards

Jason Reis
Dupont Carpentry Limited

315 Trowers Rd
Woodbridge, Ontario



On Nov 22, 2024, at 3:20 PM, Paul Stern <pstern@sternlaw.ca> wrote:

WTF:

From: Naomi Lieberman <naomi.lieberman@dodick.ca>
Sent: Friday, November 22, 2024 3:12 PM
To: pstern@sternlaw.ca
Cc: Margot Davis <margot@sternlaw.ca>; Rahn Dodick <rahn.dodick@dodick.ca>
Subject: Re: VGA -

Paul

This password does not work for this email: jason@vgacarpentry.com. Please ensure there is no typo in how it was transcribed.

Please advise.

Naomi Lieberman, CPA, CA, CIRP, LIT | Senior Manager

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Mobile: [416 525 4212](tel:416-525-4212) | Fax: [1-866-874-1791](tel:1-866-874-1791)

naomi.lieberman@dodick.ca

www.dodick.ca

On Fri, Nov 22, 2024 at 3:05 PM Paul Stern <pstern@sternlaw.ca> wrote:

Naomi,

Thank you for calling.

The info is

*Coutoreis2024

Private, confidential

Paul Stern

Stern Landesman Clark LLP

Attention: Paul Stern

Office: (416) 869-3422 x. 321

Toll Free: 1 (800) 882-9635

Fax: (416) 869-3449

Paul Stern cellular: (416) 712-0428

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 **Re: VGA -.eml**
369K

Naomi Lieberman <naomi.lieberman@dodick.ca>

Sat, Nov 23, 2024 at 11:21 AM

To: pstern@sternlaw.ca

Cc: Margot Davis <margot@sternlaw.ca>, Rahn Dodick <rahn.dodick@dodick.ca>

Paul

I have tried again and it's not letting me sign in.

Please ask Jason to contact Google for support today to ensure I am able to login.

Sent from my iPhone

On Nov 23, 2024, at 11:01 AM, Paul Stern <pstern@sternlaw.ca> wrote:

[Quoted text hidden]

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

From: Jason Reis <jason@dupontcarpentry.com>

To: <pstern@sternlaw.ca>

Cc: Margot Davis <margot@sternlaw.ca>

Bcc:

Date: Fri, 22 Nov 2024 16:47:28 -0500

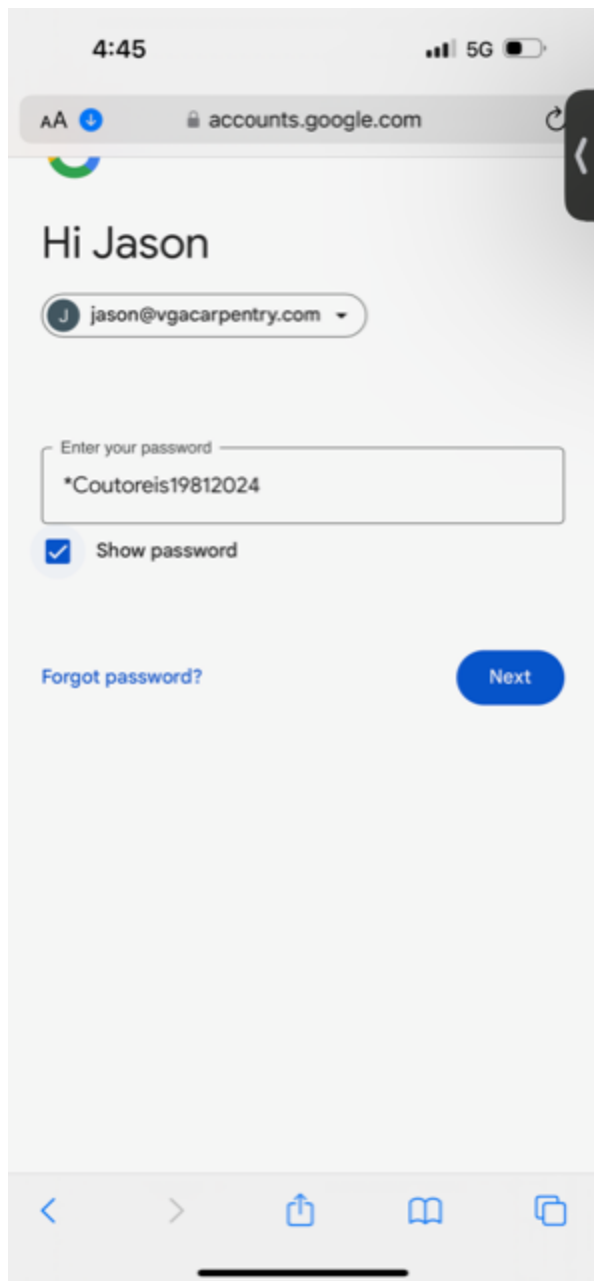
Subject: Re: VGA -

Paul,

See attached screenshot

Regards

Jason Reis
Dupont Carpentry Limited
315 Trowers Rd
Woodbridge, Ontario



On Nov 22, 2024, at 3:20 PM, Paul Stern <pstern@sternlaw.ca> wrote:

WTF:

From: Naomi Lieberman <naomi.lieberman@dodick.ca>

Sent: Friday, November 22, 2024 3:12 PM

To: pstern@sternlaw.ca

Cc: Margot Davis <margot@sternlaw.ca>; Rahn Dodick <rahn.dodick@dodick.ca>

Subject: Re: VGA -

Paul

This password does not work for this email: jason@vgacarpentry.com. Please ensure there is no typo in how it was transcribed.

Please advise.

Naomi Lieberman, CPA, CA, CIRP, LIT | Senior Manager

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Mobile: [416 525 4212](tel:416-525-4212) | Fax: [1-866-874-1791](tel:1-866-874-1791)

naomi.lieberman@dodick.ca

www.dodick.ca

On Fri, Nov 22, 2024 at 3:05 PM Paul Stern <pstern@sternlaw.ca> wrote:

Naomi,

Thank you for calling.

The info is

*Coutoreis2024

Private, confidential

Paul Stern

Stern Landesman Clark LLP

Attention: Paul Stern

Office: (416) 869-3422 x. 321

Toll Free: 1 (800) 882-9635

Fax: (416) 869-3449

Paul Stern cellular: (416) 712-0428

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 **mime-attachment.eml**
369K

Paul Stern <ps Stern@sternlaw.ca>
To: Naomi Lieberman <naomi.lieberman@dodick.ca>
Cc: Margot Davis <margot@sternlaw.ca>, Rahn Dodick <rahn.dodick@dodick.ca>

Sat, Nov 23, 2024 at 11:28 AM

We will send you a video of howto log in. Because it does work for jason.

Paul

Private and confidential.
Tel: (416) 869 3422

[Quoted text hidden]

[Quoted text hidden]

This message (including any attachments) is CONFIDENTIAL and may be PRIVILEGED. If you are not an intended recipient you are hereby notified that any distribution, copying or use by you of this information is strictly prohibited. If you have received this message in error please immediately notify the sender and delete all copies of this information from your system. // L'information contenue dans le présent courriel (y compris les pièces jointes, le cas échéant) est CONFIDENTIELLE et peut être PRIVILÉGIÉE. Si vous n'êtes pas le destinataire prévu, vous êtes par la présente avisé(e) que toute diffusion, copie ou utilisation de ladite information est strictement interdite. Si vous avez reçu cette communication par erreur, veuillez nous en aviser immédiatement en répondant à l'expéditeur et effacer de votre ordinateur toute trace de cette information.

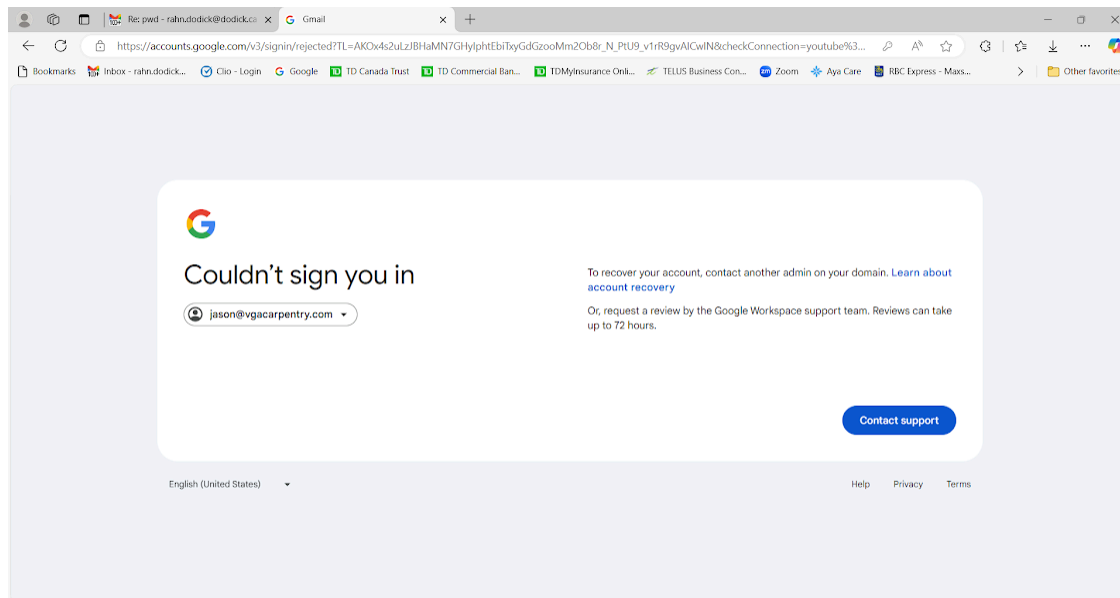
Rahn Dodick <rahn.dodick@dodick.ca>
To: Paul Stern <ps Stern@sternlaw.ca>
Cc: Naomi Lieberman <naomi.lieberman@dodick.ca>, Margot Davis <margot@sternlaw.ca>, "Mr. George Benchetrit" <george@chaitons.com>

Sat, Nov 23, 2024 at 2:34 PM

Paul,

Both Naomi and I attempted to log on to Mr. Reis' email with the password you provided to Naomi. Below is the screenshot which demonstrates that we couldn't sign in. We watched the video you had sent to us which appears to demonstrate that Mr. Reis is able to log on but it doesn't explain why we are unable to.

Rahn

**Rahn Dodick, CPA, CA, CIRP, LIT | President**

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Phone: [416 645 0552](tel:4166450552) | Mobile: [416 520 6455](tel:4165206455) | Fax: [1-866-874-1791](tel:18668741791)

rahn.dodick@dodick.ca

www.dodick.ca



[Quoted text hidden]

Rahn Dodick <rahn.dodick@dodick.ca>

Sat, Nov 23, 2024 at 2:40 PM

To: Paul Stern <pstern@sternlaw.ca>

Cc: Naomi Lieberman <naomi.lieberman@dodick.ca>, Margot Davis <margot@sternlaw.ca>, "Mr. George Benchetrit" <george@chaitons.com>

Paul,

On Monday morning Mr. Reis can attend at our office with his laptop computer and log on to his vgacarpentry.com email and allow us to review. As our report is due the following day, that is the only day he would be able to attend.

Rahn

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

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Phone: [416 645 0552](tel:4166450552) | Mobile: [416 520 6455](tel:4165206455) | Fax: [1-866-874-1791](tel:18668741791)

rahn.dodick@dodick.ca

www.dodick.ca





Naomi Lieberman <naomi.lieberman@dodick.ca>

Email link - VGA Carpentry Limited

Jason Reis VGA Carpentry <jason@vgacarpentry.com>

Tue, Nov 26, 2024 at 5:21 PM

To: Rahn Dodick <rahn.dodick@dodick.ca>

Cc: Naomi Lieberman <naomi.lieberman@dodick.ca>, Paul Stern <ps Stern@sternlaw.ca>, Margot Davis <margot@sternlaw.ca>

Rahn,

I have not received a response from you

I have tried everything I can to provide you with the information you requested and not received a response.

Please confirm receipt of this email

Regards

Jason Reis
VGA Carpentry Limited

On Nov 26, 2024, at 2:00 PM, Jason Reis VGA Carpentry <jason@vgacarpentry.com> wrote:

Rahn,

In response to you email below. I did not decline to provide you emails. I have been respectful; I have provide my email access with password to you and Naomi and have sent numerous google drive links to Naomi. I have provided all information that you have required from me to my best of my capability including my password to the email address jason@vgacarpentry.com; screenshots of myself entering the password for you and also sending Naomi a google drive link to a email folder.

Regards
Jason Reis
VGA Carpentry Limited

On Nov 26, 2024, at 1:08 PM, Rahn Dodick <rahn.dodick@dodick.ca> wrote:

Jason,

We already informed you yesterday when you were in attendance at our office that you could open your computer, which you have indicated has access to the emails, and allow us to review the emails on your computer. When we requested that of you yesterday you declined, even though you had your computer with you.

We are now in the process of finalizing our report to Court which, as you know, is due to be filed with the Court today.

Rahn

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

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Phone: [416 645 0552](tel:4166450552) | Mobile: [416 520 6455](tel:4165206455) | Fax: [1-866-874-1791](tel:18668741791)rahn.dodick@dodick.cawww.dodick.ca

On Tue, Nov 26, 2024 at 12:34 PM Jason Reis VGA Carpentry <jason@vgacarpentry.com> wrote:

Naomi,

Is there anything I can do for you to view these emails?

I have tried multiple ways to get you these emails since Thursday of last week

Please inform me the best way I can get this to you

Regards

Jason Reis
VGA Carpentry Limited

On Nov 26, 2024, at 12:09 PM, Naomi Lieberman
<naomi.lieberman@dodick.ca> wrote:

Jason

There are only 6 attachments and we can not read them.

We require access to all your emails and we still have not received this.

Naomi Lieberman, CPA, CA, CIRP, LIT | Senior Manager

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Mobile: [416 525 4212](tel:4165254212) | Fax: [1-866-874-1791](tel:18668741791)naomi.lieberman@dodick.cawww.dodick.ca

On Tue, Nov 26, 2024 at 11:51 AM Jason Reis VGA Carpentry
<jason@vgacarpentry.com> wrote:

Hi Naomi,

I have sent you a link yesterday to your email address
naomi@vgacarpentry.com. I have never received a response from you. I
have link a folder with you for the emails as requested

Please let me know if their is anything else I can do so you can see the
emails

Please confirm receipt of this email.

Regards

Jason Reis
VGA Carpentry Limited

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<Email #1.pdf>

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APPENDIX “N”



Naomi Lieberman <naomi.lieberman@dodick.ca>

Summary of Meeting with Dodick Landau Inc., Court appointed Interim Receiver2 messages

Naomi Lieberman <naomi.lieberman@dodick.ca>

Thu, Nov 21, 2024 at 6:38 PM

To: "daniel.pinzan@gmail.com" <daniel.pinzan@gmail.com>

Cc: Rahn Dodick <rahn.dodick@dodick.ca>

Bcc: George Benchetrit <George@chaitons.com>

Hi Daniel

Thank you for meeting with us today, November 21, 2024. The following is a summary of our in person discussion from earlier today. Please review the summary I have drafted below and respond by email to confirm that the summary is accurate.

You began working at VGA Carpentry Limited ("VGA" or the "Company") as a Foreman on or about February 2017. You became General Foreman, responsible for all site foreman, of the Company in 2022 and held that role for all of 2022. At the beginning of 2023 you returned to being a Foreman.

You worked as the Foreman at 293 The Kingsway (Reliance Construction Group development project) which was completed at the end of summer 2023. You moved thereafter to the Kingsway Crescent (Harhay Developments project). At Kingsway Crescent you had approximately 8 - 10 labourers working onsite with you at any given time. The Harhay project was not a VGA contract. It was a Dupont Carpentry Limited ("Dupont") contract. This fact was not shared with you. You only recently became aware of this.

Jason Reis ("Reis") or Kevin Goulart (General Foreman) would distribute physical cheques and you confirm that your cheques continued to say VGA throughout 2023 and into 2024. You have since shredded your cheque stubs.

At the Kingsway Crescent job site all trade foreman meetings took place every two weeks with the General Contractor (Harhay - Myron F., main site supervisor). All foremen signed an attendance sheet at each meeting. So you suggested that we could determine when you first started onsite at the Harhay project by reaching out to the Harhay site supervisor and asking him to confirm.

You were provided the VGA employee contact list and you identified those employees who worked under you on the Harhay jobsite.

In February 2024 Reis asked you to become the General Foreman again. Reis moved you to the Dupont payroll at the same time as all other employees. A meeting of the foreman was held at the shop around March 2024 with Reis who explained that all jobs were moving to Dupont together with payroll. Thereafter you started getting cheques from Dupont.

As Foreman, how did you report the hours worked to Reis?

You indicated that you always reported hours for yourself and your labourers by way of an e-mail to: jason@vgacarpentry.com. Your email included an excel spreadsheet that you prepared weekly which included: employee name, days of the week, total hours, parking, site name and address.

You tracked employee hours on an iPad, that belonged to the Company and sent through your spreadsheets by way of an email address that belong to the Company [daniel@vgacarpentry.com]

Starting on or about February 2024 you began populating hours into a shared worksheet on a Google drive.

You believe around 7 or 8 different foremen were employed by VGA in 2023

You only received one T4 in 2023 and it was from VGA.

You were fired on July 18, 2024 by Reis.

Naomi Lieberman, CPA, CA, CIRP, LIT | Senior Manager

Dodick & Associates Inc. and Dodick Landau Inc.

951 Wilson Avenue, Suite 15L, Toronto, ON, M3K 2A7

Mobile: [416 525 4212](tel:4165254212) | Fax: [1-866-874-1791](tel:18668741791)

naomi.lieberman@dodick.ca

www.dodick.ca

daniel.pinzan@gmail.com <daniel.pinzan@gmail.com>

Thu, Nov 21, 2024 at 6:43 PM

To: Naomi Lieberman <naomi.lieberman@dodick.ca>

Cc: Dodick Rahn <rahn.dodick@dodick.ca>

It's accurate.

Sent from my iPhone

On Nov 21, 2024, at 6:39 PM, Naomi Lieberman <naomi.lieberman@dodick.ca> wrote:

[Quoted text hidden]

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APPENDIX “O”

Employer's name – Nom de l'employeur

V.G.A.CARPENTRY LIMITED
170 LLOYD MANOR ROAD
ETOBICOKE ON M9B 5K3

Canada Revenue
AgencyAgence du revenu
du Canada

T4

Year
Année 2023

Statement of Remuneration Paid État de la rémunération payée

54 Employer's account number / Numéro de compte de l'employeur

837794239RP0001

Social insurance number
Numéro d'assurance sociale

Exempt – Exemption

CPP/QPP EI PPIP
RPC/RRQ AE RPAP

Employer-offered
dental benefits
Prestations dentaires
offertes par l'employeur

45 1

Province of employment
Province d'emploi

10 ON

Employment code
Code d'emploi

29

Employment income
Revenus d'emploi

14

Employee's CPP contributions – see over
Cotisations de l'employé
au RPC – voir au verso

16

Employee's second CPP
contributions – see over
Deuxièmes cotisations de l'employé
au RPC – voir au verso

16A

EI insurable earnings
Gains assurables d'AE

24

Employee's EI premiums
Cotisations de l'employé à l'AE

18

RPP contributions
Cotisations à un RPA

20

Pension adjustment
Facteur d'équivalence

52

Employee's PPIP premiums – see over
Cotisations de l'employé au RPAP – voir au verso

55

Income tax deducted
Impôt sur le revenu retenu

22

Employee's QPP contributions – see over
Cotisations de l'employé au
RRQ – voir au verso

17

Employee's second QPP
contributions – see over
Deuxièmes cotisations de l'employé
au RRQ – voir au verso

17A

CPP/QPP pensionable earnings
Gains ouvrant droit à pension – RPC/RRQ

26

Union dues
Cotisations syndicales

44

Charitable donations
Dons de bienfaisance

46

RPP or DPSP registration number
N° d'agrément d'un RPA ou d'un RPDB

50

PPIP insurable earnings
Gains assurables du RPAP

56

Other information
(see over)

Box – Case Amount – Montant

Autres
renseignements
(voir au verso)

Box – Case Amount – Montant

Box – Case Amount – Montant

Box – Case Amount – Montant

Box – Case Amount – Montant

Box – Case Amount – Montant

Protected B when completed / Protégé B une fois rempli

T4 (23)

To be kept by the employer or payer – À conserver par l'employeur ou le payeur

Employer's name – Nom de l'employeur

V.G.A.CARPENTRY LIMITED
170 LLOYD MANOR ROAD
ETOBICOKE ON M9B 5K3

Canada Revenue
AgencyAgence du revenu
du Canada

T4

Year
Année 2023

Statement of Remuneration Paid État de la rémunération payée

54 Employer's account number / Numéro de compte de l'employeur

837794239RP0001

Social insurance number
Numéro d'assurance sociale

Exempt – Exemption

CPP/QPP EI PPIP
RPC/RRQ AE RPAP

Employer-offered
dental benefits
Prestations dentaires
offertes par l'employeur

45 1

Province of employment
Province d'emploi

10 ON

Employment code
Code d'emploi

29

Employment income
Revenus d'emploi

14

Employee's CPP contributions – see over
Cotisations de l'employé
au RPC – voir au verso

16

Employee's second CPP
contributions – see over
Deuxièmes cotisations de l'employé
au RPC – voir au verso

16A

EI insurable earnings
Gains assurables d'AE

24

Employee's EI premiums
Cotisations de l'employé à l'AE

18

RPP contributions
Cotisations à un RPA

20

Pension adjustment
Facteur d'équivalence

52

Employee's PPIP premiums – see over
Cotisations de l'employé au RPAP – voir au verso

55

Income tax deducted
Impôt sur le revenu retenu

22

Employee's QPP contributions – see over
Cotisations de l'employé au
RRQ – voir au verso

17

Employee's second QPP
contributions – see over
Deuxièmes cotisations de l'employé
au RRQ – voir au verso

17A

CPP/QPP pensionable earnings
Gains ouvrant droit à pension – RPC/RRQ

26

Union dues
Cotisations syndicales

44

Charitable donations
Dons de bienfaisance

46

RPP or DPSP registration number
N° d'agrément d'un RPA ou d'un RPDB

50

PPIP insurable earnings
Gains assurables du RPAP

56

Other information
(see over)

Box – Case Amount – Montant

Autres
renseignements
(voir au verso)

Box – Case Amount – Montant

Box – Case Amount – Montant

Box – Case Amount – Montant

Box – Case Amount – Montant

Box – Case Amount – Montant

Protected B when completed / Protégé B une fois rempli

T4 (23)

To be kept by the employer or payer – À conserver par l'employeur ou le payeur

APPENDIX “P”

V.G.A. CARPENTRY LIMITED
Employee Earnings Summary
1 October 2023 through 12 April 2024

	Hourly Rate	Overtime-...	RETROACTI...	Federal Incom...	CPP - Empl...	CPP - Com...	Second CPP...	Second CPP...	EI - Empl...	EI - Com...	VacPay-Pai...	UNION D...	VACATION ...	TOTAL
ASIBEY, DEWAYNE	50,067.36	74.51	0.00	-12,280.52	-1,765.29	1,765.29	0.00	0.00	-509.27	712.97	5,014.16	-1,002.92	-5,014.16	37,062.13
BURGESS, MARK	53,913.60	78.98	0.00	-13,808.58	-1,874.82	1,874.82	0.00	0.00	-539.84	755.72	5,399.26	-1,079.88	-5,399.26	39,320.00
CRUISE, STEVEN	33,234.68	696.64	1,132.40	-7,705.94	-2,202.83	2,202.83	0.00	0.00	-635.97	890.41	3,506.35	-701.32	-3,506.35	26,910.90
CRUISE, WADE	49,073.96	1,229.42	0.00	-12,457.47	-3,184.19	3,184.19	0.00	0.00	-911.22	1,275.71	5,030.32	-1,006.13	-5,030.32	37,204.27
DE OLIVEIRA, RONIERISON QUEIROZ MONTEI	41,077.09	3,501.97	0.00	-11,211.88	-2,554.39	2,554.39	0.00	0.00	-672.67	941.74	4,457.91	-891.63	-4,457.91	32,744.62
DE SOUSA FILHO, SANSAO	35,865.26	52.16	0.00	-7,292.48	-2,242.62	2,242.62	0.00	0.00	-650.60	910.88	3,591.73	-718.42	-3,591.73	28,166.80
ESHETE, GIZACHEW KASSAYE	43,278.30	1,895.52	0.00	-11,944.69	-2,017.84	2,017.84	0.00	0.00	-579.73	811.60	4,517.39	-903.50	-4,517.39	32,557.50
FRANCIS, DIOGO	50,464.72	1,415.69	0.00	-13,317.41	-1,686.39	1,686.39	0.00	0.00	-486.14	680.58	5,188.04	-1,037.70	-5,188.04	37,719.74
HENRY, LUCIUS	49,471.32	0.00	0.00	-12,254.04	-1,779.92	1,779.92	0.00	0.00	-513.36	718.69	4,947.13	-989.51	-4,947.13	36,433.10
PINZAN, DANIEL	50,289.52	1,001.40	0.00	-14,145.10	-1,481.85	1,481.85	0.00	0.00	-424.59	594.41	5,129.09	-1,025.73	-5,129.09	36,289.91
SOURIEL, STEVE	29,850.04	581.10	0.00	-5,516.87	-1,883.59	1,883.59	0.00	0.00	-551.25	771.75	3,043.11	-608.60	-3,043.11	24,526.17
TOTAL	486,585.85	10,527.39	1,132.40	-121,934.98	-22,673.73	22,673.73	0.00	0.00	-6,474.64	9,064.46	49,824.49	-9,965.34	-49,824.49	368,935.14

APPENDIX “Q”



Naomi Lieberman <naomi.lieberman@dodick.ca>

Fw: V.G.A. Carpentry Limited- Response to Naomi email dated Nov 22

4 messages

Dante Capannelli <dcapannelli@ellisdon.com>
To: "Ms. Naomi Lieberman" <naomi.lieberman@dodick.ca>

Fri, Nov 22, 2024 at 4:21 PM

Naomi -

Please see the thread below and attached documents.

Kindly forgive the presentation. Given the time of day and time-sensitive nature of the request, I thought it more important to simply get you the information required.

Please do not hesitate to let me know should you require anything further.

Dante Capannelli | EllisDon Corp.
Senior Legal Counsel
work: (905) 896-8900 ext. 37057 | cell: (437) 770-5741
dcapannelli@ellisdon.com | www.ellisdon.com



From: Stefanie Agozzino <sagozzino@ellisdon.com>
Sent: Friday, November 22, 2024 2:56 PM
To: Dante Capannelli <dcapannelli@ellisdon.com>
Subject: V.G.A. Carpentry Limited- Response to Naomi email dated Nov 22

Attached response to be sent to Naomi. Responses below in Red, please amend as send accordingly

a) Copy of the contract, change orders, and back charges since the commencement of the contract ; **See attachments 1a) and 1 b)**

b) An accounting of all payments made on account of the contract; **See attachments 2 a) and 2 b)**

c) The current status of the contract including percentage completion, unpaid invoices and details of any disputes, if any and related correspondence;

Contract has been fully executed. Percentage complete = 33%. Unpaid Invoices: \$584,424.20 (Subtotal Amount). Outstanding Invoices Due = October 2024 & November 2024. No disputes to date - project going well - this scope was not tendered (trade partnership established based on positive performance on previous project). Note; we are currently completing Winter Protection works under T&M - change order to be issued upon completion of works. Approx. value \$90K.

d) The date the tendering documentation was issued for this project to all potential subcontractors;

No tender was issued, original quotation provided August 7 2020.

e) The date Jason Reis submitted his proposal, either under VGA or Dupont and clarification under which capacity it was submitted;

August 7 2020

f) The date the contract was awarded to Mr. Reis (VGA or Dupont); and

LOI Executed February 2, 2021, to secure GMP Pricing per Client Request. Note: several revisions were made after, and pricing was later updated to reflect new drawing package / scope of work.

g) The date when Dupont personnel first attended the job site to commence work on the contract.

September 2023 (early works were required in advance of the contract (T&M)) - Fully mobilized on site to complete Contract works June 2024.

Stefanie Agozzino

Sr. Executive Legal Assistant



T: 905.896.8900 x: 36216 | C: 437.770.9145



E: sagozzino@ellisdon.com

1004 Middlegate Rd., Suite 1000, Mississauga, ON L4Y 1M4

www.ellisdon.com

The content of this email is considered privileged. If you are not its intended recipient, please notify the sender and delete all copies immediately.

4 attachments



1. a) 70543 - Dupont Carpentry Limited - SubK 70543-16316-C (Oct-29-2024).pdf
3486K



1. b) Dupont Carpentry Change Order Dated Jul-19-2024.pdf
73K



2. a) 70543-16316 Dupont Carpentry Limited 11-14-2024 - Payments made to date.pdf
4709K



2. b) Dupont Carpentry Limited-16316 Progress Summary.pdf
54K

Naomi Lieberman <naomi.lieberman@dodick.ca>
To: NICHOLAS GARERI <ngareri@rogers.com>

Fri, Nov 22, 2024 at 4:39 PM



Naomi Lieberman <naomi.lieberman@dodick.ca>

V.G.A./Dupont

Pegah Moghani <pmoghani@ellisdon.com>

Mon, Nov 25, 2024 at 12:14 PM

To: Naomi Lieberman <naomi.lieberman@dodick.ca>

Cc: Dante Capannelli <dcapannelli@ellisdon.com>, "rahn.dodick@dodick.ca" <rahn.dodick@dodick.ca>, Stefanie Agozzino <sagozzino@ellisdon.com>, Kevin Garcia <kgarcia@ellisdon.com>

Hi Naomi,

There were about 3 to 4 workers (including the Foreman) on site from September to about December. We do not take a daily attendance with worker names on site - just total number of people. Please note that they were not consistently on site every day as the work was done on an as needed basis as we worked up the tower. We do have names of people orientated during that time period - however, that does not mean they were on site every day. Orientation is required to do work on any EllisDon project. See names below of individuals who were orientated;

Quimars Golpasand
Camren Lumley
Mark Burgess
Kevin Furtado (Foreman)

Thank you,

Pegah Moghani

Project Manager

EllisDon Corporation
1004 Middlegate Road
Mississauga, ON, L4Y 1M4

M: 416-409-4861

E: pmoghani@ellisdon.comwww.ellisdon.com

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From: Stefanie Agozzino <sagozzino@ellisdon.com>**Sent:** November 25, 2024 11:40 AM**To:** Naomi Lieberman <naomi.lieberman@dodick.ca>; Pegah Moghani <pmoghani@ellisdon.com>**Cc:** Dante Capannelli <dcapannelli@ellisdon.com>; rahn.dodick@dodick.ca <rahn.dodick@dodick.ca>**Subject:** RE: V.G.A./Dupont

[Quoted text hidden]