Court File No. BK-23-02929201-0032 /
Estate No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

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

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

MOTION RECORD
(Approval of Prosysco Amended Proposal)
(returnable January 24, 2024)

DATE: January 8, 2024

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INDEX

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INDEX

TAB 1

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

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NOTICE OF MOTION
(Approval of Prosysco Amended Proposal)
(returnable January 24, 2024)

Albert Gelman Inc., in its capacity as the trustee (the "**Proposal Trustee**") in the Proposal of Prosysco Ltd. (the "**Company**" or "**Prosysco**"), will make a motion to a judge of the Ontario Superior Court of Justice (Commercial List) on January 24, 2024, at 10:00 a.m. or as soon thereafter as the motion can be heard, by videoconference the details for which are to be provided.

THE PROPOSED METHOD OF HEARING: orally.

THE MOTION IS FOR orders substantially in the form of the draft order set forth in Schedule "A", filed:

(a) if required, abridging the time for service of the Notice of Motion of the Proposal Trustee and other materials relied upon for this motion, and validating service thereof;

(b) approving the amended proposal appended hereto as Schedule "B" (the "**Amended Proposal**") filed with the Official Receiver on September 14, 2023 (the "**Filing Date**"), which proposal was accepted by the creditors of the Company at a meeting duly held via video conferencing on December 4, 2023;

(c) such attendant relief as set out in the draft order, filed; and

(d) such further and other relief as counsel may request and the court deem just.

THE GROUNDS FOR THE MOTION ARE:

Overview

1. All terms not otherwise defined herein shall have the meaning ascribed to them in the Amended Proposal.

2. The Company was incorporated under *Business Corporations Act* (Ontario) on March 4. 1988 and is owned and controlled by 1110615 Ontario Ltd. ("**1110615**") which owns and controls 100% of the Class A Common voting shares of the Company and is a holding company that does not conduct business nor have any employees. 1110615 has filed a companion proposal to that of the Prosysco's.

3. The Company is a manufacturer, designer and supplier of highly specialized engineering process solutions targeting the biotech, pharmaceutical, food, beverage, and dairy industries. Prosysco is the only supplier in Canada capable of providing a full spectrum of design / build / installation / commissioning services for high purity process equipment required for vaccine production. At the commencement of these proceedings, it had 62 employees, and still has over 50.

4. Commencing in 2018, the Company experienced rapid growth in its business with sales growing from approximately $4.9 million per annum to approximately $14 million per annum in the period between 2017 and 2020. However, the Company suffered from persistent under capitalization relying on cash flow and other means to support the rapidly growing business. Among the means to address its chronic undercapitalization, the Company resorted to the deferral of payment to the Canada Revenue Agency of source deductions and harmonized sale tax. Although the Company was able to repay the outstanding harmonized sales tax, source deductions in the amount of $1.14 million (principal only- without interest and penalties) remained outstanding.

5. Approaches to its ranking secured operating lender, Royal Bank of Canada ("**RBC**") to increase the Company's borrowing limits were ultimately unsuccessful for various reasons, among them being a lag in the preparation of financial statements. This, among other factors led RBC to issue demands and notices to enforce security.

6. Faced with all these pressures, the Company and 1110615 filed Notices of Intention to make a Proposal under the Bankruptcy and Insolvency Act, RSC 1985, c B-3 (the "**BIA**").

The Proposal

7. These proceedings were commenced by Notices of Intention to Make a Proposal (the "**NOI's**") pursuant to the BIA in response to a demand for repayment from RBC. RBC was and is owed in excess of $2.8 million. CRA is also owed arrears of source deductions of more than $1.6 million.

8. The NOI period was extended three times in hearings before the Commercial List in 2023 by Justices Conway (April 24), Kimmel (June 12) and Steele (July 27).

9. The Company and 1110615 made proposals on Sept. 14, 2023. The proposals were considered at several meetings of creditors, which were adjourned on several occasions to permit CRA to compete trust examinations, and later to permit discussions between the Companies on the one hand and CRA and RBC on the other about terms under which an acceptable proposal may be made. Considerable negotiations and drafting went into those arrangements, which led to the original proposal provisions affecting RBC being removed and replicated in the Forbearance Agreement, which forbearance is conditional on acceptance by the creditors of the Amended Proposal and that of 1110615.

10. Amended Proposals were presented to creditors at the final meetings on Dec. 4, 2023. The creditors of each of the companies present in person or by proxy approved the proposals.

11. The Amended Proposal was intended to give effect to:

    (a) the distribution of funds on an orderly basis to CRA and to Creditors with Proven Claims in accordance with the terms and timing set out in the Amended Proposal respecting the relative priorities of such interests;

    (b) releases of any and all Proven Claims upon the Completion Date; and

    (c) releases in respect of the directors and officers of the Company upon the Completion Date.

12. As referred to above, the Amended Proposal is intended to work in conjunction with the Forbearance Agreement entered into between the Company and RBC governing the terms of the repayment of the outstanding indebtedness to RBC.

13. In addition, a principal of the Company has provided a personal guarantee in the maximum amount of $1 million jointly to CRA and to RBC secured by a mortgage on his

principal residence, which mortgage is to be shared between CRA and RBC should the Company fail to continue to make the payments anticipated in the Amended Proposal and the forbearance agreement.

Conditions to Implementation

14. The Amended Proposal is subject to the following conditions:

(a) Acceptance of the Amended Proposal by the statutory majorities of Creditors as required under the BIA;

(b) Acceptance of the Amended Proposal of 111615 by the statutory majorities of creditors as required under the BIA; and

(c) An order of the Court approving the Amended Proposal.

Other Key Terms of the Amended Proposal

15. The other key terms of the Amended Proposal are as follows:

(a) On the Completion Date, all present that past directors of the Company shall be released and discharged by the Unsecured Creditors from liability or obligation for claims (whether or not a Proven Claim is filed in respect of a related Claim against the debtor) where the directors are by law liable in their capacity as directors of the Company pursuant to section 50(13) of the BIA and subject to the exception in section 50 (14) of the BIA;

(b) Sections 95 to 101 of the BIA do not apply to the Amended Proposal, or the proceedings related to the Amended Proposal or any dealing by the Company prior to the NOI Date and the Proposal Trustee shall have no responsibility, liability or authority whatsoever in connection therewith;

(c) Reserve funds each in the amount of $15000 have been reserved to the Proposal Trustee to fund (i) any annulment proceedings required to be brought by the Proposal Trustee in the event of default under Amended Proposal and (ii) to fund the costs of administration of a bankruptcy of the Company if that were to occur in the circumstances. Such reserve funds will be added to the Proposal Fund in the event neither annulment proceedings nor bankruptcy occur; and

(d) Certain related parties to the Company (including 1110615) shall not file Claims in the Amended Proposal.

No Preferences and Transfers at Undervalue

16. Following its review of the period of twelve months immediately preceding the Filing Date, and focussing on those transactions above $10,000, the Proposal Trustee could identify no transactions that could be considered a preference or transfer at undervalue.

The Amended Proposal is Accepted by the Creditors

17. The Amended Proposal was unanimously accepted by the creditors present in person or by proxy entitled to vote at a duly convened meeting of creditors on December 4, 2023, the particulars of which are contained in Form 40 – Report of Trustee on Proposal dated January 7, 2024.

18. A single secured creditor whose security has been valued at nil and who did not attend any meetings of creditors convened for the purpose of considering the Amended Proposal has been recorded as a ‘no’ vote as required under the BIA in such circumstances and so recorded has no effect on the outcome of the vote generally.

The Amended Proposal is Recommended by the Proposal Trustee

19. The economic terms of the Amended Proposal will potentially see a dividend of up to $.05 on the dollar versus a nil return in bankruptcy. Based on this favourable recovery and the Proposal Trustee not having identified any transactions which would be considered to be reviewable or transfers at undervalue, the Proposal Trustee is of the view that the Amended Proposal is reasonable and calculated to benefit the general body of creditors.

Other Grounds

20. Sections 58 and 59 of the BIA.

21. Such further and other ground as counsel may submit.

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

a) Form 40 – Report of Trustee on Proposal dated January 7, 2024, and

b) Such further and other material as counsel may advise and this Honourable Court permits.

DATE: January 8, 2024

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Lawyers for Albert Gelman Inc. as Proposal Trustee of Prosysco Ltd.

TO: THE SERVICE LIST

Email Service List

Prosysco Ltd.

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As of 8-June-23

Schedule “A”

Court File No. BK-23-02929201-0032 /
Estate No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

THE HONOURABLE • .	)	WEDNESDAY, THE 24TH
	)	
JUSTICE ________	)	DAY OF JANUARY, 2024

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

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

ORDER
(Approval of Prosysco Amended Proposal)

THIS MOTION, made by Albert Gelman Inc., in its capacity as the trustee (the "**Proposal Trustee**") in the Proposal of Prosysco Ltd. (the "**Company**" or "**Prosysco**"), for an Order (*inter alia*):

(a) if required, abridging the time for service of the Notice of Motion of the Proposal Trustee and other materials relied upon for this motion, and validating service thereof;

(b) approving the amended proposal in the form attached hereto as Schedule "A" (the "**Amended Proposal**") filed with the Official Receiver on September 14, 2023, which proposal was unanimously accepted by the creditors of the Company present in person or by proxy at a meeting duly held via video conferencing on December 4, 2023; and

(c) such further and other relief as counsel may request and this Honourable Court may deem just;

was heard this day by videoconference.

ON READING Form 40 – Report of Trustee on Proposal dated January 7, 2024 (the "**Trustee's Report**") and the Factum of the Proposal Trustee, and on hearing the submissions of counsel for the Proposal Trustee, and such other counsel as were present via video conference, no one appearing for any other party although duly served as appears from the affidavit of service of • sworn January • , 2024, filed, and (i) having taken cognizance that the Amended Proposal has been unanimously accepted by the creditors present in person or by proxy voting at the meeting of creditors held via video conference on December 4, 2023, (ii) that the terms of the Amended Proposal are reasonable and calculated to benefit the general body of creditors, (iii) and that no offences or facts have been proved to justify the Court withholding its approval of the Amended Proposal;

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record in respect of this motion and the Trustee's Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

DEFINITIONS

2. **THIS COURT ORDERS** that all capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Proposal.

APPROVAL OF THE PROPOSAL

3. **THIS COURT ORDERS** that the Amended Proposal attached as Schedule "A" hereto be and is hereby approved.

4. **THIS COURT ORDERS** that, upon the Proposal Trustee issuing a certificate of full performance of the Amended Proposal under section 65.3 of the BIA: (i) the Amended Proposal and all associated steps, compromises, settlements, satisfactions, releases, discharges, transactions and arrangements effected thereby are approved, binding and effective in accordance with the provisions of the Amended Proposal and the BIA; and (ii) the treatment of the Claims of Creditors under the Amended Proposal shall be final and binding for all purposes and enure to the benefit of the Company, the Creditors, and all other Persons named or referred to in the Amended Proposal, or subject to the Amended Proposal, and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

IMPLEMENTATION OF THE PROPOSAL

5. **THIS COURT ORDERS** that the Proposal Trustee be and is hereby authorized, directed and empowered to perform its functions and to fulfill its obligations under the Amended Proposal to facilitate the implementation of the Amended Proposal.

6. **THIS COURT ORDERS** that the Proposal Trustee, be and is hereby authorized and directed to make the distributions and payments contemplated under the Amended Proposal in accordance with its terms and the BIA and to take any such related steps or actions necessary or desirable to

implement, and consummate all matters contemplated under the Amended Proposal and all agreements, transactions, and documents contemplated by the Amended Proposal, and such steps and actions are hereby approved.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada against all persons, firms, corporations, governmental, municipal, and regulatory authorities against whom it may be enforceable.

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

9. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province to act in aid of and to be complementary to this Court 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 as may be necessary or desirable to give effect to the Order or to assist the Trustee and its agents in carrying out the terms of this Order.

____

SCHEDULE "A"

PROPOSAL

Schedule "B"

District of Ontario
Division No.: 09 - Mississauga
Estate No.: 32-2929201
Court No.: 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(*In Bankruptcy and Insolvency*)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

AMENDED PROPOSAL

(Dated December 4, 2023)

Prosysco Ltd., the above-named Debtor (the "**Debtor**"), hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**").

1. DEFINITIONS

In this Proposal, the following terms have the meaning herein set out:

(a) **Claim.** A "claim provable" is as defined in the BIA. For clarification, this includes any debt or liability, present or future, to which the Debtor was subject on the NOI Date or to which the Debtor may become subject before the Completion Date by reason of any obligation incurred before the NOI Date, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease or agreement, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date. In the event of any inconsistency between this definition and the definition of "claim provable" as defined in the BIA, the terms of the BIA shall prevail.

(b) **CRA.** Canada Revenue Agency.

Initial

(c) **Completion Date**. The date on which the Trustee files its certificate of completion, certifying that this Proposal has been fully performed by the Debtor.

(d) **Final Approval.** Acceptance of the Proposal by the creditors of the Debtor and approval by the Court, both in accordance with the BIA, and any appeal period with respect to Court approval having expired.

(e) **Landlord.** HOOPP Realty Inc.

(f) **NOI Date.** The date on which the Debtor filed a Notice of Intention to Make a Proposal in contemplation of this Proposal with the Official Receiver being April 1, 2023.

(g) **Ordinary Creditor.** An Unsecured Creditor that is not a Preferred Creditor.

(h) **Preferred Creditor.** An Unsecured Creditor in respect of any Claim that would be payable in priority to other Unsecured Creditors pursuant to the provisions of s.136 of the BIA.

(i) **Proposal.** This Proposal, as it may be amended from time to time.

(j) **Proposal Date.** The date of the initial filing of the Proposal with the Official Receiver.

(k) **Proven Claim.** Any Claim which is the subject of a proof of claim that has been filed with the Trustee and admitted by the Trustee in accordance with the BIA.

(l) **Secured Creditor.** A creditor holding security against the property of the Debtor in respect of their Claim as "Secured Creditor" is defined in the BIA.

(m) **Trustee.** Albert Gelman Inc., as Licensed Insolvency Trustee to the Proposal of the Debtor.

(n) **Trustee's Fees and Disbursements.** The fees and disbursements of the Trustee incidental to the proceedings arising out of the Proposal including: (i) The Trustee's fees which shall be based on the amount of time spent in respect of the Proposal including applicable HST thereon; and (ii) all reasonable expenses and disbursements incurred by the Trustee including, without limitation, any legal fees; plus any applicable taxes on those expenses and disbursements. For the purposes of calculating its fees, the Trustee will track the time spent by its staff in respect of and incidental to the Proposal and shall bill that time on an hourly-rate basis at its prevailing rates. The Trustee's hourly billing rates for its professional and administrative staff are subject to change without notice to the Debtor.

Initial DS

(o) **Unsecured Creditor.** A creditor having a Claim against the Debtor other than a Secured Creditor. An Unsecured Creditor includes both an Ordinary Creditor and Preferred Creditor, and includes a Secured Creditor in respect of any Claim or portion of their Claim that is not secured (if any).

2. **DEBTS OWED TO THE CROWN**

(a) Proven Claims of His Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of provincial legislation that were outstanding on the NOI Date (the "**Deemed Trust Claim**") shall be paid in full within twenty-four (24) months of Final Approval of this Proposal.

(b) The CRA filed a claim with the Trustee on July 21, 2023 confirming that the Deemed Trust Claim is $1,631,000.07.

(c) The Debtor shall remit directly to the CRA the Deemed Trust Claim amount in equal consecutive monthly payments of $67,958.33 each commencing in the month following Final Approval until the Deemed Trust Claim is paid in full. The Debtor shall provide the CRA with twenty-four (24) post-dated monthly cheques which shall be dated the last day of each respective month following Final Approval. Twenty-three (23) of the post-dated cheques will be in the amount of $67,958.33 each. The final post-dated cheque for the twenty-fourth month shall be in the amount of $67,958.48. The Trustee will not be responsible to monitor payment of this provision of the Proposal.

(d) As consideration for the CRA agreeing to the payment terms of this section of the Proposal, Alan Chimko, the current sole director of the Debtor, will provide the CRA with a joint and several guarantee up to the maximum amount of $1 million for the Deemed Trust Claim, which guarantee will be secured by the benefit of a collateral mortgage against his residential property. Such collateral mortgage shall be granted to the Royal Bank of Canada ("**RBC**"), who shall share the benefit of the collateral mortgage with the CRA in accordance with the terms of a Forbearance Agreement dated December 4, 2023 among RBC, the Debtor, Alan Chimko, and two others (the "**Forbearance Agreement**"). This guarantee and the benefit of the collateral mortgage shall be provided to the CRA and RBC prior to the return of any motion to approve this Proposal and on the Proposal being approved by the Court, same shall be effective and the subject mortgage registered.

(e) CRA's acceptance of this Proposal will be considered acceptance of the terms of the guarantee provided to it from Alan Chimko and the Allocation Formula (as defined in the Forbearance Agreement) contained in the Forbearance Agreement.

Initial

3. **SECURED CREDITORS**

(a) This Proposal is not being made to RBC in respect of its secured Claim (the "**RBC Secured Claim**"). RBC will be paid in accordance with the terms of the Forbearance Agreement. Any default of the Debtor or other parties to the Forbearance Agreement will not be a default under the Proposal.

(b) This Proposal is also being made to Vault Credit Corporation in respect of its secured Claim arising from the Loan Agreement #253259 between the Debtor and Vault Credit Corporation dated April 26, 2022. The value of the collateral held by Vault Credit Corporation in respect of that loan agreement shall be valued at $0.00 for purposes of this Proposal. Vault Credit Corporation will be entitled to file a Claim in respect of that loan agreement as an Unsecured Creditor in the Debtor's Proposal.

(c) Other than Vault Credit Corporation and the parties referred to in paragraph 6 below, payment of the Claims of all other Secured Creditors shall be made in the usual manner or as may be agreed between the Debtor and the Secured Creditors. For greater certainty, the continued payments include the amounts owed to Vault Credit Corporation under Equipment Lease #229167 and Equipment Lease #227307.

4. **PREFERRED CREDITORS**[1]

(a) For the purposes of paragraph 7(b) of this Proposal, Proven Claims of Preferred Creditors, without interest, shall be paid in priority to all Ordinary Creditors in accordance with the order of priorities set out in section 136 of the BIA.

(b) Any partial or interim payments made under this Proposal to multiple Preferred Creditors with the same level of priority under the BIA shall be paid on a *pro rata* and *pari passu* basis among those creditors.

(c) Claims of employees and former employees of amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(*d*) of the BIA as well as wages, salaries, commissions or compensation for services rendered after the NOI Date and before Final Approval of this Proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period shall be paid by the Debtor immediately after Final Approval of this Proposal.

5. **COMMERCIAL LANDLORD**

(a) On April 24, 2023, pursuant to section 65.2(1) of the BIA, the Debtor issued a notice to the Landlord disclaiming its commercial lease in respect of the 8 Prologis Blvd., Mississauga, Ontario, Suites 103 and 400 property effective May 31, 2023 (the "**Commercial Lease Disclaimer**"). As a result of the

[1] There are no known Preferred Creditors as at the date of filing this Proposal.

Initial

Commercial Lease Disclaimer the Landlord is an Unsecured Creditor of the Debtor and shall be entitled to file a Claim in this Proposal.

(b) The unsecured Claim of the Landlord is to be calculated pursuant to section 65.2(4)(b) of the BIA as follows:

The lesser of:

(i) The aggregate of

(A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and

(B) fifteen per cent of the rent for the remainder of the term of the lease after that year, and

(ii) three years' rent.

6. **DISCLAIMED AGREEMENTS**

(a) Prior to the filing of this Proposal the Debtor disclaimed several agreements pursuant to section 65.11(1) of the BIA, including agreements with Meridian OneCap Credit Corp., Catalyst Finance Partners Inc. and De Lage Landen Financial Services Canada Inc.

(b) These creditors shall be considered Unsecured Creditors and shall be entitled to file a Claim in this Proposal in accordance with section 65.11(8) of the BIA.

7. **UNSECURED CREDITORS**

(a) The Debtor shall pay to the Trustee the total sum of $250,000, to be paid in twelve (12) consecutive monthly payments of $20,833.33 each. The first monthly payment shall be due and payable on the last day of the month in the twenty-fifth (25th) month following Final Approval of this Proposal and the balance of the payments are due and payable on the last day of each consecutive month thereafter. The final monthly payment due and payable on the last day of the month in the thirty-sixth (36^{th}) month shall be in the amount of $20,833.37. Payments made to the Trustee pursuant to this Proposal are referred to herein as the "**Proposal Fund**".

(b) The Trustee shall distribute the Proposal Fund in the following order:

i. Payment of Proven Claims of Preferred Creditors, if any, in full; and

ii. Payment of Proven Claims to Ordinary Creditors on a *pro rata* and *pari passu* basis.

Initial

(c) Any payments made by or on behalf of the Debtor under this Proposal shall be applied to the scheduled payments in the order they come due unless otherwise specified by the Debtor. The Debtor shall have the right to prepay any or all of the balance due under the Proposal prior to the expiration of the scheduled payment terms without interest or penalty so long as any payments made pursuant to paragraph (a) of this section are made after both the Deemed Trust Claim and RBC Secured Claim are paid in full. Any prepayment shall not accelerate the due date of any other payment(s) still outstanding unless otherwise specified in this Proposal.

(d) In accordance with section 147 of the BIA, the Superintendent of Bankruptcy levy shall be deducted from all distributions to Unsecured Creditors except where the BIA does not require the levy.

(e) By casting a vote with the Trustee in favour (or 'For') this Proposal each Unsecured Creditor (including Preferred Creditors) agrees that their respective Claim does not fall within the definition of BIA section 178, debts not released by order of discharge.

8. **CLASSIFICATION OF CREDITORS**

(a) The creditors of the Debtor under this Proposal shall comprise one class, being Proven Claims of Preferred Creditors and of Unsecured Creditors.

9. **PROPOSAL FILED BY RELATED COMPANY**

(b) 1110615 Ontario Inc. ("**111Co.**") owns one hundred percent (100%) of the Class A Common Voting shares of the Debtor.[2] 111Co. filed a proposal under Part III, Division I of the BIA on September 14, 2023 (Estate no. 32-2929202), which was amended on December 3, 2023 (as amended, the "**111Co. Proposal**").

(c) This Proposal is conditional upon acceptance of the 111Co. Proposal by its creditors and approval of the 111Co. Proposal by the Court. The Court shall not approve this Proposal unless and until and the creditors of 111Co. approve the 111Co. Proposal with any amendments thereto.

10. **PROVISIONAL HST RETURN**

(a) As part of the Proposal, the Debtor will prepare a provisional HST return showing a reasonable estimate of its HST debt for the period up to and including the NOI Date (the "**Provisional HST Return**").

(b) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of

[2] There are two other shareholders: Adam Kurtz, who holds 100% of the Class C Common Voting shares, and Dmitry Puzhitsky, who holds 100% of the Class B Common Voting shares.

Initial

this Proposal, the CRA will include the HST debt calculated pursuant to the Provisional HST Return as part of their Claim in this Proposal.

11. **CANADA REVENUE AGENCY WAIVER**

(a) Upon both the acceptance of this Proposal by the CRA and Final Approval, the CRA agrees:

a. to waive its statutory right to pursue any past or present director(s) of the Debtor to collect any unpaid GST/HST or source deductions owing by the Debtor for the period up to and including the NOI Date (the "**CRA Debt**") (collectively, the "**Director Waiver**"). For further clarification, upon Final Approval of this Proposal, the CRA agrees that it will not pursue the director(s) of the Debtor for any debts owing by the Debtor to the CRA which relate to any period up to and including the NOI Date;

b. that any additional GST/HST and/or corporate income tax resulting from any assessment or reassessment by the CRA subsequent to the NOI Date for additional amounts owing by the Debtor and related to any period of time up to and including the NOI Date will form part of CRA's Claim in this Proposal; and

c. to waive any claim as against RBC in relation to RBC continuing to draw its monthly accrued interest payments and equipment lease payments directly from the Debtor's RBC bank account.

(b) If, prior to the Completion Date, the Debtor is in default of any of the provisions of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, the Director Waiver referred to in paragraph 11. (a) above shall become null and void.

12. **WAIVER OF COLLECTION REMEDIES**

(a) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of this Proposal, or the Debtor defaults in a provision of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, CRA shall not take any action to assess any non-arm's length party pursuant to the provisions of either section 160 of the *Income Tax Act*, section 325 of the *Excise Tax Act*, or any other provisions of any other Act or statute, in relation to any portion of the corporate income tax, unpaid source deductions or GST/HST debt of the Debtor that is included in CRA's Claim.

13. **PROPOSAL DEFAULT FUND**

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Proposal Default Fund**") from the portion of the

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Proposal Fund that would otherwise be distributed to creditors. The purpose of the Proposal Default Fund will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel (the "**Application Fees**"), required to make an application to Court seeking the annulment of the Proposal (a "**Default Application**") in the event of default of the Proposal. The funds reserved in the Proposal Default Fund shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund (after payment of any Application Fees) shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements other than Application Fees may be paid out of the Proposal Default Fund if there are insufficient Proposal Funds outside of the Proposal Default Fund to cover any such fees and disbursements that may be outstanding.

(c) Where default has been made by the Debtor under any term of this Proposal, and the default has not been waived by the Inspectors (as defined below) or by the Unsecured Creditors, or cured by the Debtor:

i. Upon the resolution of the Inspectors, if any, or upon the resolution of the Unsecured Creditors, the Trustee shall make a Default Application if the Proposal Default Fund is and remains fully funded as set out in paragraph (a) of this section; and

ii. If there is no resolution of the Inspectors (if any) or the Unsecured Creditors either in favour of or against the Trustee making a Default Application, the Trustee may, in its sole discretion, seek such a resolution; and, if no such resolution is made after being sought by the Trustee, or in the case of urgency where prejudice might in the Trustee's view occur in the time necessary to obtain such a resolution, the Trustee may, in its sole discretion, commence a Default Application.

(d) In the event that the Proposal Default Fund balance in the Trustee's trust account is not fully funded as set out in paragraph (a) of this section at the time of a default under this Proposal by the Debtor, the Trustee shall have the sole discretion as to whether to make a Default Application upon being requested to do so pursuant to the preceding paragraph.

(e) In the event the Default Application does not proceed or is not successful for any reason whatsoever (for example, due to the Debtor curing the default in the interim), any Application Fees incurred shall still be payable out of the Proposal Default Fund, and any balance of the Application Fees that may remain shall be payable as part of the Trustee's Fees and Disbursements out of the Proposal Fund in the normal course.

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14. **BANKRUPTCY RESERVE**

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Bankruptcy Reserve**") from the portion of the Proposal Fund that would otherwise be distributed to creditors. The purpose of the Bankruptcy Reserve will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel, required to administer a bankruptcy of the Debtor in the event that this Proposal is annulled. The funds reserved in the Bankruptcy Reserve shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements in the Proposal may be paid out of the Bankruptcy Reserve if there are insufficient Proposal Funds outside of the Bankruptcy Reserve to cover any such fees and disbursements that may be outstanding.

15. **COMPLIANCE CLAUSE**

(a) Until the Completion Date, the Debtor will keep all filings, remittances and instalments to the CRA (if any) current. The Trustee shall not be responsible to monitor this section of the Proposal and it shall be the obligation of the creditors (including the CRA) to advise the Trustee of any non-compliance with this section by the Debtor. The Trustee shall not be responsible to monitor any provision of this section of the Proposal and the Debtor shall be deemed to be in compliance with this section unless the Trustee is notified by an Unsecured Creditor that the Debtor is not in compliance with this section.

16. **TRUSTEE'S FEES AND DISBURSEMENTS**

(a) In addition to the Proposal Fund, the Debtor has agreed to fund the Trustee's Fees and Disbursements. The funds paid by the Debtor to fund the Trustee's Fees and Disbursements are in addition to the Proposal Fund. The Debtor shall fund the entirety of the Trustee's Fees and Disbursements before the Trustee issues a certificate of full performance in accordance with section 65.3 of the BIA.

17. **GENERAL PROVISIONS**

(a) The Trustee is acting solely in its capacity as Licensed Insolvency Trustee under this Proposal and not in its personal or corporate capacity. The Trustee shall have the powers granted to it by the Proposal, by the BIA, and by any order of the Court. The Trustee and its officer(s), director(s), employee(s) or agent(s) are not and shall not be responsible or liable for any obligations of the Debtor, and shall be exempt from all personal and corporate liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally

Initial DS

in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

(b) Sections 95 to 101 of the BIA (with the exception of section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business or financial affairs.

(c) All payments required to be paid by or on behalf of the Debtor under the terms of this Proposal shall be paid over to the Trustee unless otherwise stated herein. The Trustee shall make all payments out of the funds paid to it in accordance with the terms of this Proposal.

(d) At the meeting of creditors to consider this Proposal, the creditors may, by vote in accordance with the BIA, appoint up to five inspectors (the "**Inspectors**") who will have, in addition to any powers of inspectors under the BIA, the power to:

i. receive any notice of default in the performance of the Proposal and waive any such default;

ii. advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and,

iii. extend the time for any payment due under this Proposal.

(e) Upon the Completion Date, all present and past directors of the Debtor shall be released and discharged by the Unsecured Creditors from liability or obligation for any claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor) where the directors are by law liable in their capacity as directors of the Debtor pursuant to section 50(13) of the BIA and subject to the exceptions in section 50(14) of the BIA.

(f) Upon the Completion Date, the Debtor shall be released and discharged from any and all Claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor).

(g) All proper Claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date up to the date of approval of this Proposal by the Superior Court of Justice in Bankruptcy and Insolvency, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the Claims of all other Creditors.

(h) The following creditors have agreed not to file a proof of claim in this Proposal and will not participate in distributions to Unsecured Creditors under this Proposal:

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- 2090985 Ontario Inc.
- Alan Chimko
- The Estate of Paul Chimko
- Dmitry Puzhitsky
- 111Co.

(i) Any notices or communications in respect of this Proposal shall be delivered to the Debtor at the address set out below:

Prosysco Ltd.
c/o Reconstruct LLP
200 Bay Street, Suite 2305 Box 120
Toronto, ON M5J 2J3
Attention: Brendan Bissell
E-mail: bbissell@reconllp.com

(j) For purposes of this Proposal, Claims denominated in a currency other than Canadian Dollars will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

Dated at Mississauga, Ontario this 3rd day of December 2023

Prosysco Ltd.

DocuSigned by:

Per: ______________________

A44ABA7489244571

Name: Alan Chimko

I have the authority to bind the corporation.

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD.

Court File No. BK-23-02929201-0032
Estate No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

Proceeding commenced TORONTO

ORDER
(Approval of Prosysco Amended Proposal)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V2

Mario Forte (LSO #: 27293F)
Tel: 416.597.6477
Email: forte@gsnh.com

Lawyers for the Proposal Trustee, Albert Gelman Inc.

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD.

Court File No. BK-23-02929201-0032
Estate No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

Proceeding commenced TORONTO

NOTICE OF MOTION
(Approval of Prosysco Amended Proposal)
(returnable January 24, 2024)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V2

Mario Forte (LSO #: 27293F)
Tel: 416.597.6477
Email: forte@gsnh.com

Lawyers for the Proposal Trustee, Albert Gelman Inc.

TAB 2

District of Ontario
Division No.: 09 - Mississauga
Estate No.: 32-2929201
Court No.: 32-2929201

FORM 40
Report of Trustee on Proposal
(Section 59(1) and section 58(d) of the Act)

In the matter of the proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

We, Albert Gelman Inc., the trustee ("**Trustee**") acting in the proposal of Prosysco Ltd. ("**Debtor**"), hereby report to the Court as follows:

1. That the Debtor filed a Notice of Intention to Make a Proposal (the "**NOI**") on April 1, 2023 and that we filed the NOI with the Official Receiver electronically on the same date (the "**Filing Date**"). Copies of the NOI and the Certificate of Appointment are attached hereto and marked as **Exhibit "A"**.

2. That in connection with its NOI, the Debtor prepared a statement of forecasted cash flows as at April 10, 2023 (the "**NOI Cash Flow Forecast**"). Attached hereto and marked as **Exhibit "B"** are copies of the following documents:

   - NOI Cash Flow Forecast;
   - Form 29 – Trustee's Report on Cash-Flow Statement; and,
   - Form 30 – Report on Cash-Flow Statement by the Person Making the Proposal.

3. After filing the NOI, the Court granted the Debtor several extensions of time to make a proposal further extending the NOI period on April 24, 2023 (Justice Conway), June 12, 2023 (Justice Kimmel), and July 27, 2023 (Justice Steele).

4. The Debtor filed a proposal was filed with the Trustee on September 14, 2023 (the "**Proposal**"), a copy of which is attached and marked as **Exhibit "C"**. A copy of the Proposal was electronically filed with the Official Receiver on the same day.

5. The Debtor prepared a Revised Statement of Projected Monthly Cash flows as at September 14, 2023. Attached hereto and marked as **Exhibit "D"**, are copies of the following documents:

   - Revised Statement of Projected Cash Flow;
   - Form 29 – Trustee's Report on Cash-Flow Statement; and,
   - Form 30 – Report on Cash-Flow Statement by the Person Making the Proposal.

6. That on September 22, 2023, we gave notice to every known creditor affected by the Proposal (the "**Notice of Proposal**") of the calling of a meeting of creditors to be held on October 4, 2023 to consider the Proposal. A copy of the affidavit of mailing, including the Report of the Trustee on the Proposal, Notice of Proposal to Creditors, the Proposal and the Debtor's Statement of Affairs sworn on September 14, 2023, is attached hereto and marked as **Exhibit "E"**.

7. Prior to the meeting of creditors the Trustee made a detailed and careful inquiry into the liabilities of the Debtor,

the Debtor's assets and their value, the Debtor's conduct and the causes of the Debtor's insolvency. The Trustee will refer to the results of this enquiry more specifically below.

8. A meeting of creditors was held on October 4, 2023, and was presided over by the Trustee. The meeting was adjourned to October 30, 2023 and there would follow a series of further adjournments for the reasons set out in Paragraph 12 below. A copy of the minutes of this meeting are attached and marked as **Exhibit "F"**.

9. The reconvened meeting of creditors was held on October 30, 2023 and was presided over by the Trustee. The meeting was again adjourned to November 17, 2023. A copy of the minutes of this meeting are attached and marked as **Exhibit "G"**.

10. The reconvened meeting of creditors was held on November 17, 2023 and was presided over by the Trustee. The meeting was again adjourned to November 27, 2023. A copy of the minutes of this meeting are attached and marked as **Exhibit "H"**.

11. The reconvened meeting of creditors was held on November 27, 2023 and was presided over by the Trustee. The meeting was again adjourned to December 4, 2023. A copy of the minutes of this meeting are attached and marked as **Exhibit "I"**.

12. In substance, the successive adjournments were necessary to enable the key senior secured creditor and the Debtor's operating lender, Royal Bank of Canada ("**RBC**") and Canada Revenue Agency ("**CRA**") to negotiate the terms of intercreditor arrangements for the sharing of additional security discussed below in paragraph 17(d), to enable RBC's arrangements to be removed from the Proposal and recast in a Forbearance Agreement among the Debtor, RBC and others, and to enable CRA to complete its investigations and enquiries prior to settling the terms of its proposed treatment under the Proposal.

13. An amended proposal was filed with the Trustee on December 4, 2023 (the "**Amended Proposal**"), a copy of which is attached and marked as **Exhibit "J"**, and that we filed a copy of the Amended Proposal with the Official Receiver electronically on the same day.

14. The reconvened (and final) meeting of creditors was held on December 4, 2023 and was presided over by the Trustee. At the meeting the Amended Proposal was approved unanimously by the required majority of unsecured creditors as well as by the CRA who agreed to an extension of the time period permitted by the Debtor to repay the CRA source deduction from six (6) to twenty-four (24) months. That a copy of the minutes of the meeting is attached hereto and marked as **Exhibit "K"**. The Amended Proposal reflects the removal of those terms originally applicable to the arrangements with RBC and the interaction of the Amended Proposal and the Forbearance Agreement.

15. On January 5, 2024 we e-filed a copy of the Notice of Hearing of Application for Court Approval of the Proposal with the Official Receiver. That on January 5, 2024 the notice was sent to the Debtor and all creditors. Attached hereto as **Exhibit "L"** is the Affidavit of Mailing, which includes a copy of the Notice of Hearing and e-file confirmation.

16. The Trustee is of the opinion that:

(a) the assets of the Debtor and their fair realizable value are set out in the Debtor Statement of Affairs which forms part of Exhibit "E".

(b) the liabilities of the Debtor are identified on the claims register which is attached and marked as **Exhibit "M"**.

17. That the Trustee is also of the opinion that:

(a) the causes of the insolvency of the Debtor are as follows:

Commencing in 2018, the Debtor experienced rapid growth in its business with sales growing from approximately $4.9 million per annum to approximately $14 million per annum in the period between 2017 and 2020. However, the Debtor suffered from persistent under capitalization relying on cash flow and other means to support the rapidly growing business. Among the means to address its chronic undercapitalization, the Debtor resorted to the deferral of payment to the Canada Revenue Agency of source deductions and harmonized sale tax. Although the Debtor was able to repay the outstanding harmonized sales tax, source deductions in the amount of $1.14 million (principal only- without interest and penalties) remained outstanding.

Approaches to its ranking secured operating lender, RBC, to increase the Debtor's borrowing limits were ultimately unsuccessful for various reasons, among them being a lag in the preparation of financial statements. This, among other factors, led RBC to issue demands and notices to enforce security.

Faced with all these pressures, the Debtor and 1110615 Ontario Ltd, the Debtor's parent holding body corporate, filed NOI's.

(b) the conduct of the Debtor is subject to censure in the following respects:

The Debtor's conduct is not subject censure.

(c) There are no facts under section 173 of the Act that may be proved against the Debtor. Moreover, after reviewing the previous twelve months preceding the Filing Date, the Trustee could identify no transactions that could be considered a preference or a transfer at undervalue.

18. The Trustee is of the opinion that the Amended Proposal advantages the Debtor's creditors and other stakeholders for the following reasons:

a) In the event of a bankruptcy of the Debtor the Trustee has estimated that the distribution to unsecured creditors would be nil. Set out below is a summary of the realizable value of the Debtor's assets (as presented on its SOA) less the amounts owing to the CRA in respect of its deemed trust claim for outstanding source deductions and RBC's secured claim.

Asset Category	SOA Value ($)
Accounts Receivable	1,599,852
Cash	311,400
Vehicles	1
Machinery and Equipment	294,875
Inventories	212,634
Less: CRA Deemed Trust Claim	(1,631,000)
Less: RBC Secured Claim	(2,807,312)
Net Realizable Value for Unsecured Creditors (nil if negative)	nil

Further details regarding the realizable value of the Debtors assets as well as the claims of both CRA and RBC are included in the Report of the Trustee on the Proposal which is attached hereto as **Exhibit "O"**.

b) In the event of a bankruptcy of the Debtor it would cease operations and this would be detrimental to many of the Debtor's stakeholders including, among others: (a) its current employees (approximately 60) who would likely be terminated; (b) its current suppliers who would lose the Debtor as a customer; and, (c) its current customers who may be forced to find alternative suppliers and incur, potentially, significant damages if the Debtor is not able to complete it existing contracts.

c) The Debtor's Amended Proposal provides for the following:

- Payment in full of the CRA's deemed trust claim in respect of unpaid source deduction which totals approximately $1,631,000 payable in twenty-four (24) equal consecutive monthly installments of $67,953.33 each commencing the month following to Final Approval;

- A Proposal Fund of $250,000, for the benefit of the Debtor's unsecured creditors, payable in equal consecutive monthly installments of $20,833.33 each commencing in the twenty-fifth (25th) month following Final Approval;

- In accordance with paragraph 16(a) of the Amended Proposal the Trustee's fees and disbursements are to be paid by the Debtor in addition to the Proposal Fund. Therefore, the full amount of the Proposal Fund shall be distributed to the Debtor's unsecured creditors. In particular, Reserve Funds are being set aside for the payment of professional and administrative fees in the event an annulment proceeding is required to be brought and to fund the administration of a bankruptcy in the event that were to occur;

- In accordance with paragraph 17(h) of the Amended Proposal the non-arm's length creditors of the Debtor have each agreed not to file claims in the Proposal and will not participate in any distribution of the Proposal Fund; and

- The Amended Proposal is not being made to RBC in respect of its secured claim. As discussed above, the Debtor, RBC and others have entered into the Forbearance Agreement which contractual arrangement is intended to work in concert with the Amended Proposal.

d) In accordance with paragraph 2(d) of the Amended Proposal Alan Chimko (the "**Guarantor**"), the sole Director of the Debtor, has provided a limited guarantee to both RBC and CRA in the aggregate amount of $1 million (the "**Personal Guarantee**"). The Guarantor has arranged to register on title to the real property municipally known as 126 Jasper Drive, Kirkfield, Ontario a collateral mortgage as security for the obligations under the Personal Guarantee. The collateral mortgage will be shared by CRA and RBC, and the latter will administer such security. The Personal Guarantee is attached hereto as **Exhibit "P"**.

e) In the Trustee's opinion:

- the Proposal Fund offered to the Debtor's unsecured creditors in the Amended Proposal exceeds the amount they will receive if the Debtor were deemed or otherwise became bankrupt;

- the Amended Proposal provides for the payment of the CRA's deemed trust claim in full within a reasonable and achievable period of time and provides certainty with respect to the quantum and timing of receipt of funds. In a bankruptcy scenario the timing and quantum of funds to be received by the CRA is uncertain; and,

- the Personal Guarantee and its accompanying collateral mortgage provide additional security to both the CRA and RBC in respect of their claims.

Accordingly, the Trustee recommends acceptance of the Amended Proposal.

19. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Amended Proposal.

20. The Trustee will file copy of this report to the Official Receiver.

Dated at the city of Toronto in the province of Ontario this 7th day of January 2024

ALBERT GELMAN INC., solely in its
capacity as Trustee in *re* the Proposal of Prosysco Ltd.

and not in its personal or any other capacity

Per:

Digitally signed by Bryan Gelman

Bryan Gelman, *CIRP, LIT*
250 Ferrand Dr., Suite 403
Toronto, ON M3C 3G8

Phone: (416) 504-1650, Fax: (416) 504-1655
Email: bgelman@albertgelman.com

APPENDIX “A”

Industry Canada

Office of the Superintendent of Bankruptcy Canada

Industrie Canada

Bureau du surintendant des faillites Canada

District of Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

In the Matter of the Notice of Intention to make a proposal of:

Prosysco Ltd.

Insolvent Person

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Date of the Notice of Intention: April 01, 2023

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforenamed insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforenamed insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 03, 2023, 12:37

E-File/Dépôt Electronique

Official Receiver

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

Canada

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

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Take notice that:

1. I, Prosysco Ltd., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 60 Shaftesbury Avenue, Toronto, ON, M4T 1A3, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of $250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 1st day of April 2023.

Prosysco Ltd.
Insolvent Person

To be completed by Official Receiver:

Filing Date

Official Receiver

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Abell Pest Control Inc	246 Attwell Drive Etobicoke ON M9W 5B4		523.20
ACI Central Inc	PO Box 53 Charlottetown PE C1A 7K1		1,094.14
Acklands Grainger Inc.	P.O. Box 2970 Winnipeg MB R3C 4B5		2,176.97
Advanced Motion & Controls LTD	26 Saunders Road Barrie ON L4N 9A8		5,308.15
Air Liquide	1700 Steeles Ave. E Bramalea ON L6T 1A6		3,480.02
Alantra Leasing	P.O. Box 4375, 98 Cougle Road Sussex NB E4E 5L5		4,156.10
Alfa Laval Inc. Zahra Akbari	c/o TH1301, P.O. Box 4290, Postal Station A Toronto ON M5W 0E1	59479.57 usd	80,063.37
Alpha Controls & Instrumentation	361 Steelcase Rd W, Suite 6 Markham ON L3R 3V8		3,227.96
Ampco Pumps Co., Inc.	2045 West Mill Rd Glendale WI 53209		32,273.45
ATCO Structures & Logistics Ltd.	65 Reive Blvd, PO Box 1089 Cookstown ON L0L1L0		1,118.70
AVCO (Alloy Valves and Control)	3210 S. Susan Steet Santa Ana CA 92704		51,794.87
Aztec Electrical Supply Inc.	25 North Rivermede Rd. #4-10 Concord ON L4K 5V4		5,195.00
BELTSERVICE CANADA COMPANY	C/O T10205CP.O. BOX 4918, STN A Toronto ON M5W 0C9		563.60
Benefits by Design Inc	Suite 500-2755 Lougheed Hwy Port Coquitlam BC V3B 5Y9		13,314.67
BERCON RENTALS	503 Carling view drive Etobicoke ON M8W5H2		5,911.03

TC

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Brand Blvd	261 Martindale Road, Unit 5 St Catherines ON L2W 1A1		2,432.77
Burkert Fluid Control Systems	11425 Mt. Holly-Huntersville Road Huntersville NC 28078		444,427.65
BURT PROCESS EQUIPMENT	100 Overlook Drive Hamden CT 16514		2,074.62
Business Systems Inc.	5800 Coopers Ave. Mississauga ON L5T 2J3		1,295.69
C.F.F. Stainless Steels	1840 Burlington Street, East Hamilton ON L8H 3L4		91,080.22
Cedar Springs	45 Villarboit Cres, # 2 Concord ON L4K 4R2		465.40
Chandler Industrial Supplies	1051 Brevik Place Mississauga ON L4W 3R7		10,193.23
Cintas	23 Torlake Crescent Toronto ON M8Z 1B5		7,329.00
COMMERCIAL AIR COMPRESSOR LTD.	95 Konrad Crescent Markham ON L3R 8T8		15,088.33
Concept Storage Solutions	1470 Creditstone Rd Vaughan ON L4K5W2		1,331.05
CONREX STEEL	50 Taber Road Etobicoke ON M9W 3A8		4,203.60
Contro Valve Equipment inc.	3375 North Service Road Units B4-B6 Burlington ON L7N 3G2		11,276.27
Core Industrial Gases Inc	395 Frankcom Street Ajax ON L1S 1R4		8,162.86
CRA - non-tax Programs London Tax Services Office Processing Systems Section - Bankruptcy	PO Box 2517, 451 Talbot St. 11th Fl London ON N6A 4G9	120951181RP0001	1,430,548.00

P.C

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Crown Industrial Roofing	227 Queens Plate Drive, Unit 3 Toronto, ON M9W 6Z7		9,525.90
CSA Group Testing & Certification Inc.	178 Rexdale Blvd. Toronto ON M9W 1R3		6,000.30
CSI Equipment & Service	2700 N Partnership Blvd Springfield MO 65803		95,682.21
Dafco Filtration Group	1300 Aerowood Drive Mississauga ON L4W 1B7		1,509.59
Dampney Company, Inc.	85 Paris Street Everett MA 12149		1,141.59
De Lage Landen Financial Services Canada Inc.	3450 Superior Court Unit 1 Oakville ON L6L 0C4	Printer & Forklift leases	251.00
Delta T Heat Exchangers Inc.	206-1674 Hyde Park Road London ON N6H 5L7		18,338.21
Donaldson Company, Inc.	PO Box 207356 Dallas TX 75320-7356		14,010.18
Employee Termination Pay		estimate	60,000.00
Enbridge Gas Distribution Inc.	P.O. Box 644 Scarborough ON M1K 5H1		7,322.98
Enersource	P.O. Box 3080 Station "A" Mississauga ON L5A 3V6		3,078.96
Eri-son Instrumentation Services Corp.	32 Dawnridge Trail Brampton ON L6Z 2A1		565.00
EVOQUA Water Technologies Ltd.	P.O. Box 15738 STN A Toronto ON M5W 1C1		1,356.25
Fabco Plastics Wholesale	2175-A Teston Rd MAPLE ON L6A1T3		14,527.16
Fastening House Inc.	160 Bass Pro Mills Dr. Vaughan ON L4K 0A7		3,155.30
Federal Express Canada Ltd	P.O. Box 4626 Toronto Station A Toronto ON M5W 5B4		306.61

PC

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
GENERATIONS CLEANING INC.	1129 Wentworth St-B3 OSHAWA ON L1J 8P7		3,019.22
GFL Environmental Inc.	39 Fenmar Drive North York ON M9L 1M1		627.78
Gould Stainless Products Ltd.	1141, 6027 – 79 Avenue SE Calgary AB T2C 5P1		656.36
GTI Global Freight Systems (2014) Inc.	5020 Rue Fairway LACHINE QC H8T 1B8		4,255.00
GTI Roll Transportation Services Inc.	5020 Rue Fairway Lachine QC H8T 1B8		6,113.30
Hansler Smith Limited	P.O. BOX 310 Brockville ON K6V 5V5		2,006.96
Impro	5265 General Road Mississauga ON L4W 2K4		3,145.85
Intempco Controls Ltd	880 Selkirk Avenue Pointe-Claire QC H9R 3S3		463.30
John Brooks Company Limited	2625 Meadowpine blvd. Mississauga ON L5N 7K5		59,274.29
KINEQUIP INC.	333 Wyecroft Rd. Unit 8 Oakville ON L6K 2H2		28,770.39
Line Process Controls Inc.	50 Venture Drive, Unit 8 Scarborough ON M1B 3L6		8,233.52
Livingston International	P.O. Box 5640Terminal A Toronto ON M5W 1P1		32,978.99
LZR FIT Pressure Vessel Heads	1119A Bridge Street Tomahawk WI 54487		44,880.58
Max Precision Turning Inc.	349 Bowes Rd, Unit 24 Concord ON L4K 1J3		932.25
McMaster-Carr	P.O. Box 7690 Chicago IL 60680-7690		3,053.92

PC

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Metaline, Premium Metal Fabrication	3605 Weston Rd Toronto ON M9L 1V7		610.20
Minister of Finance (PEI)	31 Gordon Drive Charlottetown PE C1A 6B8		667.00
MISTRAS Services Inc.	C/O Lockbox 915890P.O. Box 4090 STN A Toronto ON M5W 0E0		2,067.34
MOBILE MINI STORAGE SOLUTIONS	73 BROWNS LINE TORONTO ON M8W 3S2		1,434.83
New Electric Enterprises Inc.	3185 Dundas St west Oakville ON L6M4J4		5,299.70
Noble Corporation	7171 Jane Street Concord ON L4K 1A7		7,455.64
Ontario Hose Specialties Inc.	7245 Pacific Circle Mississauga ON L5T 1V1		1,198.36
ONYX FIRE PROTECTION SERVICES INC.	400 Matheson Blvd West Mississauga ON L5R 0H1		2,066.42
Original Power Tool Co. Ltd.	7508 Bath Rd. Mississauga ON L4T 1L2		823.81
Pinacle	455 Ambassador Drive Mississauga ON L5T 2J3		10,396.80
PORTA-PLUS PORTABLES	210 SUMMERFIELD DRIVE GUELPH ON N1L1L3		1,073.50
PowerOn Computer Systems	35 West Pearce St. Unit 36 Richmond Hill ON L4B 3A9		1,959.43
Province Electric Supply	425-6 Superior Blvd Mississauga ON L5T 2W5		10,549.04
Purolator Inc.	P.O. Box 1100Etobicoke Postal Stn A Etobicoke ON M9C 5K2		251.80
Qualtech Distribution	7795 Raoul-Lassonde St-Hyacinthe QC J2R 1E4		36,804.10

F.C

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Ram Imaging Products Inc.	1040 Martin Grove Rd.Unit 6 Etobicoke ON M9W 4W4		937.50
RBC Royal Bank	c/o Harrison Penza LLB, Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2		2,000,000.00
Rolark Stainless Steel Inc.	71 Conair Parkway Woodbridge ON L4H 0S4		22,093.70
Rubber Fab	c/o Garlock Hygienic Technologies LLCPO Box 74008414 Chicago IL 60674-8414		262.17
Rudy's Machine Ltd	2901 Greenfield Rd Ayr ON N0B 1E0		5,123.59
SAMSON Controls Inc.	1-105 Riviera Drive Markham ON L3R 5J7		29,848.54
Shareholders and related party loans		Estimate for NOI purposes	2,500,000.00
Spirax Sarco Canada	383 Applewood Cres Concord ON L4K 4J3		22,698.33
Stanley Manufacturing Company	230 Bartley Dr. Toronto ON M4A 1G3		1,182.10
Staples Business Advantage	c/o T04446CPO Box 4446, STN A Toronto ON M5W 4A2		4,864.52
Steel & O'Brien Manufacturing, Inc	Department 2250 PO Box 986500 Boston MA 02298-6500		299.29
Stonhard	95 Sunray Street Whitby ON L1N 9C9		14,520.50
Sunbelt Rentals of Canada	535 Welham Road Barrie ON L4N 8Z6		14,649.32
Syntiro Dynamics, LLC.	P.O. Box 1154 Wall NJ 17719		1,604.35

F. C

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
T.A. Networks Inc.	6750 Davand Drive #9 Mississauga ON L5T 2L8		4,576.71
Technical Standards & Safety Authority	14th Floor, Center Tower3300 Bloor Street West Toronto ON M8X 2X4		16,755.66
Teff-Line Ltd.	4415 North Service Rd Burlington ON L7L 4X7		7,740.50
THE PRINT HOUSE	6155 Tomken Road Unit 5 MISSISSAUGA ON L5T1X3		385.77
Triovest Realty Advisors Inc.	40 University Avenue, Suite 1200 Toronto, ON M5J 1T1	Landlord-8 Prologis blvd 103-400	165,466.76
United Rentals of Canada, Inc.	C/O T52638P.O. BOX 4526, POSTAL STATION A Toronto ON M5W 5Z9		2,744.10
Valutech	10-3761 Victoria Park Avenue Toronto ON M1W 3S3		7,211.66
voestalpine Bohler Welding Group	1745 Meyerside Dr. Units 1-3 Mississauga ON L5T 1C6		2,880.20
Wachs Canada Inc.	a Division of ITW Canada Inc.PO Box 57539 STN A Toronto ON M5W 5M5		7,037.38
Watson Marlow	383 Applewood Crescent Concord ON L4K 4J3		62,026.03
Weston Valve & Fitting Ltd.	6471 Edwards Boulevard Mississauga ON L5T 2V2		56,846.66
Yula Corp. Heat Exchanger Specialtists	330 Bryant Ave Bronx NY 10474-7113		61,900.00
Total			7,771,606.18

Prosysco Ltd.
Insolvent Person

APPENDIX “B”

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

The attached statement of projected cash flow of Prosysco Ltd., as of the 10th day of April 2023, consisting of a cash flow projection for the 12-week period from April 9 to July 1, 2023, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:
☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 10th day of April 2023.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Purpose:

The purpose of the projection is to comply with the requirements set out in Section 50.4(2) of the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions

None.

Probable Assumptions

1. Prosysco (the "Company") will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company's Royal Bank of Canada ("RBC") operating accounts (CDN and USD) as of April 9, 2023. The Company will be operating without the use of its RBC credit facility during these restructuring proceedings.

3. Receipts have been estimated based on: (a) collection of accounts owing as of the date of the NOI filing date; and, (b) anticipated receipts from future sales/contacts.

4. Materials purchases payments, director labour expense and employee benefits expense have been estimated based on existing and anticipated future contracts.

5. It is anticipated that suppliers will be paid on a COD or near COD basis. Certain suppliers may require deposits before continuing to supply as security for future supply of goods/services.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the week they are forecast to be incurred.

8. Office and management salaries expense includes the wages paid to salaried employees and management.

9. Restructuring costs consist of payments to the Debtor's legal counsel and to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings. It also includes the costs to fund the restructuring proceedings of 1110615 Ontario Ltd., the Company's parent company. 1110615 Ontario Ltd. also filed a notice of intention to make a proposal on April 1, 2023.

Dated at the City of Toronto in the Province of Ontario, this 10th day of April 2023.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655

District of:	Ontario
Division No.	09 - Mississauga
Court No.	32-2929201
Estate No.	32-2929201

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

The management of Prosysco Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 10th day of April 2023, consisting of a cash flow projection for the 12-week period from April 9 to July 1, 2023.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Mississauga in the Province of Ontario, this 10th day of April 2023.

Prosysco Ltd.
Debtor

Name and title of signing officer

Name and title of signing officer

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Purpose:

The purpose of the projection is to comply with the requirements set out in Section 50.4(2) of the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions

None.

Probable Assumptions

1. Prosysco (the "Company") will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company's Royal Bank of Canada ("RBC") operating accounts (CDN and USD) as of April 9, 2023. The Company will be operating without the use of its RBC credit facility during these restructuring proceedings.

3. Receipts have been estimated based on: (a) collection of accounts owing as of the date of the NOI filing date; and, (b) anticipated receipts from future sales/contacts.

4. Materials purchases payments, director labour expense and employee benefits expense have been estimated based on existing and anticipated future contracts.

5. It is anticipated that suppliers will be paid on a COD or near COD basis. Certain suppliers may require deposits before continuing to supply as security for future supply of goods/services.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the week they are forecast to be incurred.

8. Office and management salaries expense includes the wages paid to salaried employees and management.

9. Restructuring costs consist of payments to the Debtor's legal counsel and to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings. It also includes the costs to fund the restructuring proceedings of 1110615 Ontario Ltd., the Company's parent company. 1110615 Ontario Ltd. also filed a notice of intention to make a proposal on April 1, 2023.

Dated at the City of Mississauga in the Province of Ontario, this 10th day of April 2023.

Prosysco Ltd.

PROSYSCO LTD.
STATEMENT OF PROJECTED CASH FLOWS
FOR THE 12 WEEK PERIOD ENDED JULY 1, 2023

		Forecast - Weekly												
Week starting		9-Apr-23	16-Apr-23	23-Apr-23	30-Apr-23	7-May-23	14-May-23	21-May-23	28-May-23	4-Jun-23	11-Jun-23	18-Jun-23	25-Jun-23	
Week ending		15-Apr-23	22-Apr-23	29-Apr-23	6-May-23	13-May-23	20-May-23	27-May-23	3-Jun-23	10-Jun-23	17-Jun-23	24-Jun-23	1-Jul-23	
		Week 1	**Week 2**	**Week 3**	**Week 4**	**Week 5**	**Week 6**	**Week 7**	**Week 8**	**Week 9**	**Week 10**	**Week 11**	**Week 12**	
Cash balance - beginning of period	$	753,078	418,163	234,752	513,534	4,593	916,725	1,106,948	1,630,704	1,555,665	1,410,842	1,435,345	1,550,089	*A*
Cash receipts (includes HST)														
Collection of accounts receivable		10,650	209,239	516,731	153,714	1,070,083	582,873	681,706	587,616	13,126	417,153	272,694	1,055,794	
Total cash receipts (including HST)	$	10,650	209,239	516,731	153,714	1,070,083	582,873	681,706	587,616	13,126	417,153	272,694	1,055,794	*B*
Disbursements (all applicable expenses include HST)														
Direct labour (incl. EHT, WSIB, DAS, etc.)		-	185,000	80,000	185,000	-	185,000	-	185,000	-	185,000	-	185,000	
Consulting and sub-contracting		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Materials purchases payments		90,750	90,750	90,750	90,750	90,750	90,750	90,750	90,750	90,750	90,750	90,750	90,750	
Equipment rental		8,400	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	
Inspections		2,400	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	
Freight		3,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	
Customs and duties		1,000	500	500	500	500	500	500	500	500	500	500	500	
Office and management salaries		22,000	77,200	-	77,200	-	77,200	-	77,200	-	77,200	-	77,200	
Employee benefits		13,315	-	-	13,500	-	-	-	13,500	-	-	-	-	
Shop supplies		10,800	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	
Auto expense		7,000	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	
Bank charges and interest		-	-	-	1,000	-	-	-	1,000	-	-	-	1,000	
Insurance		-	-	-	10,705	-	-	-	10,705	-	-	-	10,705	
Rent expense		135,500	-	-	135,500	-	-	-	135,500	-	-	-	135,500	
Utilities		-	-	-	7,000	-	-	-	7,000	-	-	-	7,000	
Telephone and communication		-	-	-	1,800	-	-	-	1,800	-	-	-	1,800	
Travel - Hotel and accomodations		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	
Office and general		13,300	13,300	13,300	13,800	13,300	13,300	13,300	13,800	13,300	13,300	13,300	13,300	
Restructuring Fee		27,500	-	27,500	-	27,500	-	27,500	-	27,500	-	27,500	-	
HST remittances / (refund)		-	-	-	100,000	-	-	-	100,000	-	-	-	100,000	
Total disbursements (including HST)	$	345,565	392,650	237,950	662,655	157,950	392,650	157,950	662,655	157,950	392,650	157,950	648,655	*C*
Net Cash-flow from operations	$	(334,914)	(183,411)	278,781	(508,941)	912,133	190,223	523,756	(75,039)	(144,824)	24,503	114,744	407,139	*D = B - C*
Cash balance - end of period	$	**418,163**	**234,752**	**513,534**	**4,593**	**916,725**	**1,106,948**	**1,630,704**	**1,555,665**	**1,410,842**	**1,435,345**	**1,550,089**	**1,957,228**	*A + D*

NOTICE TO READER:
This statement of projected cash-flow dated April 10, 2023 of the Company is prepared in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

Prosysco Ltd.

Per: Terence Scott

April 10, 2023

Albert Gelman Inc., solely in its capacity as Trustee in *re* the Notice of Intention to Make a Proposal of Prosysco Ltd. and not in its personal or any other capacity

Per: Bryan Gelman

April 10, 2023

APPENDIX “C”

District of Ontario
Division No.: 09 - Mississauga
Estate No.: 32-2929201
Court No.: 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(In Bankruptcy and Insolvency)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

PROPOSAL

(Dated September 14, 2023)

Prosysco Ltd., the above-named Debtor (the "**Debtor**"), hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c.B-3, as amended (the "**BIA**").

1. DEFINITIONS

In this Proposal, the following terms have the meaning herein set out:

(a) **Claim.** A "claim provable" is as defined in the BIA. For clarification, this includes any debt or liability, present or future, to which the Debtor was subject on the NOI Date or to which the Debtor may become subject before the Completion Date by reason of any obligation incurred before the NOI Date, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease or agreement, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date. In the event of any inconsistency between this definition and the definition of "claim provable" as defined in the BIA, the terms of the BIA shall prevail.

(b) **CRA.** Canada Revenue Agency.

Initial

(c) **Completion Date**. The date on which the Trustee files its certificate of completion, certifying that this Proposal has been fully performed by the Debtor.

(d) **Final Approval.** Acceptance of the Proposal by the creditors of the Debtor and approval by the Court, both in accordance with the BIA, and any appeal period with respect to Court approval having expired.

(e) **Landlord.** HOOPP Realty Inc.

(f) **NOI Date.** The date on which the Debtor filed a Notice of Intention to Make a Proposal in contemplation of this Proposal with the Official Receiver being April 1, 2023.

(g) **Ordinary Creditor.** An Unsecured Creditor that is not a Preferred Creditor.

(h) **Preferred Creditor.** An Unsecured Creditor in respect of any Claim that would be payable in priority to other Unsecured Creditors pursuant to the provisions of s.136 of the BIA.

(i) **Proposal.** This Proposal, as it may be amended from time to time.

(j) **Proposal Date.** The date of the initial filing of the Proposal with the Official Receiver.

(k) **Proven Claim.** Any Claim which is the subject of a proof of claim that has been filed with the Trustee and admitted by the Trustee in accordance with the BIA.

(l) **Secured Creditor.** A creditor holding security against the property of the Debtor in respect of their Claim as "Secured Creditor" is defined in the BIA.

(m) **Trustee.** Albert Gelman Inc., as Licensed Insolvency Trustee to the Proposal of the Debtor.

(n) **Trustee's Fees and Disbursements.** The fees and disbursements of the Trustee incidental to the proceedings arising out of the Proposal including: (i) The Trustee's fees which shall be based on the amount of time spent in respect of the Proposal including applicable HST thereon; and (ii) all reasonable expenses and disbursements incurred by the Trustee including, without limitation, any legal fees; plus any applicable taxes on those expenses and disbursements. For the purposes of calculating its fees, the Trustee will track the time spent by its staff in respect of and incidental to the Proposal and shall bill that time on an hourly-rate basis at its prevailing rates. The Trustee's hourly billing rates for its professional and administrative staff are subject to change without notice to the Debtor.

Initial

(o) **Unsecured Creditor.** A creditor having a Claim against the Debtor other than a Secured Creditor. An Unsecured Creditor includes both an Ordinary Creditor and Preferred Creditor, and includes a Secured Creditor in respect of any Claim or portion of their Claim that is not secured (if any).

2. **DEBTS OWED TO THE CROWN**

(a) Proven Claims of His Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of provincial legislation that were outstanding on the NOI Date (the "**Deemed Trust Claim**") shall be paid in full within twenty-four (24) months of Final Approval of this Proposal.

(b) The CRA filed a claim with the Trustee on July 21, 2023 confirming that the Deemed Trust Claim is $1,631,000.07.

(c) The Debtor shall remit directly to the CRA the Deemed Trust Claim amount in equal consecutive monthly payments of $67,958.33 each commencing in the month following Final Approval until the Deemed Trust Claim is paid in full. The Debtor shall provide the CRA with twenty-four (24) post-dated monthly cheques which shall be dated the last day of each respective month following Final Approval. Twenty-three (23) of the post-dated cheques will be in the amount of $67,958.33 each. The final post-dated cheque for the twenty-fourth month shall be in the amount of $67,958.48. The Trustee will not be responsible to monitor payment of this provision of the Proposal.

(d) As consideration for the CRA agreeing to the payment terms of this section of the Proposal, Alan Chimko, the current sole director of the Debtor, will provide the CRA with a joint and several guarantee up to the maximum amount of $1 million for the Deemed Trust Claim, which guarantee will be secured by collateral mortgage against his residential property. This guarantee and collateral mortgage shall be provided to CRA and RBC prior to the return of any motion to approve this Proposal and on the Proposal being approved by the Court, same shall be effective and the subject mortgage registered.

3. **SECURED CREDITORS**

(a) This Proposal is being made to the Royal Bank of Canada ("**RBC**") in respect of its secured Claim. RBC will value its security at CAD $2,390,403.50 and USD $304,313.02 (plus accruing interest) as of the NOI Date (the "**RBC Secured Claim**") and will be entitled to file a Claim as a Secured Creditor in the Debtor's Proposal.

(b) The RBC Secured Claim will be paid in full by way of reductions of the Debtor's RBC revolving operating facility on or before the last day of the twenty-fourth (24th) month following Final Approval, and continuing payments on outstanding leases.

(c) Interest shall continue to accrue to RBC on the RBC Secured Claim balance. During the Proposal, prior to the payment of the RBC Secured Claim, RBC shall be entitled to draw its monthly accrued interest payments directly from the Debtor's RBC bank account.

(d) By casting a vote with the Trustee in favour (or 'For') this Proposal, RBC agrees to cease any collection/enforcement actions against the Debtor and/or any current or former the Directors of the Debtor (the "**RBC Enforcement Waiver**"). If, prior to the Completion Date, the Debtor is in default of any of the provisions of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, the RBC Enforcement Waiver shall become null and void.

(e) As consideration for RBC providing the RBC Enforcement Waiver and agreeing to this Proposal, Alan Chimko, the current sole director of the Debtor, will provide RBC with the same joint and several guarantee granted to CRA as noted in paragraph 2(d) which guarantee will be secured by collateral mortgage against his residential property.

(e) Upon payment to RBC of the entirety of the RBC Secured Claim and evidence that all remittances and payments on accounts with CRA for post NOI filing HST (RT) and for employee deductions at source (RP) are current, RBC will forthwith discharge its security as against the Debtor.

(f) This Proposal is also being made to Vault Credit Corporation in respect of its secured Claim arising from the Loan Agreement #253259 between the Debtor and Vault Credit Corporation dated April 26, 2022. The value of the collateral held by Vault Credit Corporation in respect of that loan agreement shall be valued at $0.00 for purposes of this Proposal. Vault Credit Corporation will be entitled to file a Claim in respect of that loan agreement as an Unsecured Creditor in the Debtor's Proposal.

(g) Other than noted above, payment of the Claims of all other Secured Creditors shall be made in the usual manner or as may be agreed between the Debtor and the Secured Creditors. For greater certainty, the continued payments include the amounts owed to Vault Credit Corporation under Equipment Lease #229167 and Equipment Lease #227307.

4. PREFERRED CREDITORS[1]

(a) For the purposes of paragraph 7(b) of this Proposal, Proven Claims of Preferred Creditors, without interest, shall be paid in priority to all Ordinary Creditors in accordance with the order of priorities set out in section 136 of the BIA.

[1] There are no known Preferred Creditors as at the date of filing this Proposal.

Initial

(b) Any partial or interim payments made under this Proposal to multiple Preferred Creditors with the same level of priority under the BIA shall be paid on a *pro rata* and *pari passu* basis among those creditors.

(c) Claims of employees and former employees of amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(*d*) of the BIA as well as wages, salaries, commissions or compensation for services rendered after the NOI Date and before Final Approval of this Proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period shall be paid by the Debtor immediately after Final Approval of this Proposal.

5. **COMMERCIAL LANDLORD**

(a) On April 24, 2023, pursuant to section 65.2(1) of the BIA, the Debtor issued a notice to the Landlord disclaiming its commercial lease in respect of the 8 Prologis Blvd., Mississauga, Ontario, Suites 103 and 400 property effective May 31, 2023 (the "**Commercial Lease Disclaimer**"). As a result of the Commercial Lease Disclaimer the Landlord is an Unsecured Creditor of the Debtor and shall be entitled to file a Claim in this Proposal.

(b) The unsecured Claim of the Landlord is to be calculated pursuant to section 65.2(4)(b) of the BIA as follows:

The lesser of:

(i) The aggregate of

(A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and

(B) fifteen per cent of the rent for the remainder of the term of the lease after that year, and

(ii) three years' rent.

6. **DISCLAIMED AGREEMENTS**

(a) Prior to the filing of this Proposal the Debtor disclaimed several agreements pursuant to section 65.11(1) of the BIA, including agreements with Meridian OneCap Credit Corp., Catalyst Finance Partners Inc. and De Lage Landen Financial Services Canada Inc.

(b) These creditors shall be considered Unsecured Creditors and shall be entitled to file a Claim in this Proposal in accordance with section 65.11(8) of the BIA.

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7. UNSECURED CREDITORS

(a) The Debtor shall pay to the Trustee the total sum of $250,000, to be paid in twelve (12) consecutive monthly payments of $20,833.33 each. The first monthly payment shall be due and payable on the last day of the month in the twenty-fifth (25th) month following Final Approval of this Proposal and the balance of the payments are due and payable on the last day of each consecutive month thereafter. The final monthly payment due and payable on the last day of the month in the thirty-sixth (36^{th}) month shall be in the amount of $20,833.37. Payments made to the Trustee pursuant to this Proposal are referred to herein as the "**Proposal Fund**".

(b) The Trustee shall distribute the Proposal Fund in the following order:

i. Payment of Proven Claims of Preferred Creditors, if any, in full; and

ii. Payment of Proven Claims to Ordinary Creditors on a *pro rata* and *pari passu* basis.

(c) Any payments made by or on behalf of the Debtor under this Proposal shall be applied to the scheduled payments in the order they come due unless otherwise specified by the Debtor. The Debtor shall have the right to prepay any or all of the balance due under the Proposal prior to the expiration of the scheduled payment terms without interest or penalty so long as any payments made pursuant to paragraph (a) of this section are made after both the Deemed Trust Claim and RBC Secured Claim are paid in full. Any prepayment shall not accelerate the due date of any other payment(s) still outstanding unless otherwise specified in this Proposal.

(d) In accordance with section 147 of the BIA, the Superintendent of Bankruptcy levy shall be deducted from all distributions to Unsecured Creditors except where the BIA does not require the levy.

(e) By casting a vote with the Trustee in favour (or 'For') this Proposal each Unsecured Creditor (including Preferred Creditors) agrees that their respective Claim does not fall within the definition of BIA section 178, debts not released by order of discharge.

8. CLASSIFICATION OF CREDITORS

(a) The creditors of the Debtor under this Proposal shall comprise two classes: 1) Proven Claims of Secured Creditors, and 2) Proven Claims of Preferred Creditors and of Unsecured Creditors.

9. PROPOSAL FILED BY RELATED COMPANY

(b) 1110615 Ontario Inc. (**"111Co."**) owns one hundred percent (100%) of the Class A Common Voting shares of the Debtor.[2] 111Co. filed a proposal under Part III, Division I of the BIA on September 14, 2023 (Estate no. 32-2929202) (the "**111Co. Proposal**")

(c) This Proposal is conditional upon acceptance of the 111Co. Proposal by its creditors and approval of the 111Co. Proposal by the Court. The Court shall not approve this Proposal unless and until and the creditors of 111Co. approve the 111Co. Proposal with any amendments thereto.

10. PROVISIONAL HST RETURN

(a) As part of the Proposal, the Debtor will prepare a provisional HST return showing a reasonable estimate of its HST debt for the period up to and including the NOI Date (the "**Provisional HST Return**").

(b) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of this Proposal, the CRA will include the HST debt calculated pursuant to the Provisional HST Return as part of their Claim in this Proposal.

11. CANADA REVENUE AGENCY WAIVER

(a) Upon both the acceptance of this Proposal by the CRA and Final Approval, the CRA agrees:

a. to waive its statutory right to pursue any past or present director(s) of the Debtor to collect any unpaid GST/HST or source deductions owing by the Debtor for the period up to and including the NOI Date (the "**CRA Debt**") (collectively, the "**Director Waiver**"). For further clarification, upon Final Approval of this Proposal, the CRA agrees that it will not pursue the director(s) of the Debtor for any debts owing by the Debtor to the CRA which relate to any period up to and including the NOI Date;

b. that any additional GST/HST and/or corporate income tax resulting from any assessment or reassessment by the CRA subsequent to the NOI Date for additional amounts owing by the Debtor and related to any period of time up to and including the NOI Date will form part of CRA's Claim in this Proposal; and

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[2] There are two other shareholders: Adam Kurtz, who holds 100% of the Class C Common Voting shares, and Dmitry Puzhitsky, who holds 100% of the Class B Common Voting shares.

c. to waive any claim as against RBC in relation to the reduction of the Debtor's RBC revolving operating facility and the interest payments provided for under article 3 above.

(b) If, prior to the Completion Date, the Debtor is in default of any of the provisions of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, the Director Waiver referred to in paragraph 11. (a) above shall become null and void.

12. **WAIVER OF COLLECTION REMEDIES**

(a) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of this Proposal, or the Debtor defaults in a provision of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, CRA shall not take any action to assess any non-arm's length party pursuant to the provisions of either section 160 of the *Income Tax Act*, section 325 of the *Excise Tax Act*, or any other provisions of any other Act or statute, in relation to any portion of the corporate income tax, unpaid source deductions or GST/HST debt of the Debtor that is included in CRA's Claim.

13. **PROPOSAL DEFAULT FUND**

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Proposal Default Fund**") from the portion of the Proposal Fund that would otherwise be distributed to creditors. The purpose of the Proposal Default Fund will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel (the "**Application Fees**"), required to make an application to Court seeking the annulment of the Proposal (a "**Default Application**") in the event of default of the Proposal. The funds reserved in the Proposal Default Fund shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund (after payment of any Application Fees) shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements other than Application Fees may be paid out of the Proposal Default Fund if there are insufficient Proposal Funds outside of the Proposal Default Fund to cover any such fees and disbursements that may be outstanding.

(c) Where default has been made by the Debtor under any term of this Proposal, and the default has not been waived by the Inspectors (as defined below) or by the Unsecured Creditors, or cured by the Debtor:

i. Upon the resolution of the Inspectors, if any, or upon the resolution of the Unsecured Creditors, the Trustee shall make a Default Application

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if the Proposal Default Fund is and remains fully funded as set out in paragraph (a) of this section; and

ii. If there is no resolution of the Inspectors (if any) or the Unsecured Creditors either in favour of or against the Trustee making a Default Application, the Trustee may, in its sole discretion, seek such a resolution; and, if no such resolution is made after being sought by the Trustee, or in the case of urgency where prejudice might in the Trustee's view occur in the time necessary to obtain such a resolution, the Trustee may, in its sole discretion, commence a Default Application.

(d) In the event that the Proposal Default Fund balance in the Trustee's trust account is not fully funded as set out in paragraph (a) of this section at the time of a default under this Proposal by the Debtor, the Trustee shall have the sole discretion as to whether to make a Default Application upon being requested to do so pursuant to the preceding paragraph.

(e) In the event the Default Application does not proceed or is not successful for any reason whatsoever (for example, due to the Debtor curing the default in the interim), any Application Fees incurred shall still be payable out of the Proposal Default Fund, and any balance of the Application Fees that may remain shall be payable as part of the Trustee's Fees and Disbursements out of the Proposal Fund in the normal course.

14. BANKRUPTCY RESERVE

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Bankruptcy Reserve**") from the portion of the Proposal Fund that would otherwise be distributed to creditors. The purpose of the Bankruptcy Reserve will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel, required to administer a bankruptcy of the Debtor in the event that this Proposal is annulled. The funds reserved in the Bankruptcy Reserve shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements in the Proposal may be paid out of the Bankruptcy Reserve if there are insufficient Proposal Funds outside of the Bankruptcy Reserve to cover any such fees and disbursements that may be outstanding.

15. COMPLIANCE CLAUSE

(a) Until the Completion Date, the Debtor will keep all filings, remittances and instalments to the CRA (if any) current. The Trustee shall not be responsible to monitor this section of the Proposal and it shall be the obligation of the creditors (including the CRA) to advise the Trustee of any non-compliance with this section by the Debtor. The Trustee shall not be responsible to monitor any provision of this section of the Proposal and the Debtor shall be deemed to be in compliance with this section unless the Trustee is notified by an Unsecured Creditor that the Debtor is not in compliance with this section.

16. **TRUSTEE'S FEES AND DISBURSEMENTS**

(a) In addition to the Proposal Fund, the Debtor has agreed to fund the Trustee's Fees and Disbursements. The funds paid by the Debtor to fund the Trustee's Fees and Disbursements are in addition to the Proposal Fund. The Debtor shall fund the entirety of the Trustee's Fees and Disbursements before the Trustee issues a certificate of full performance in accordance with section 65.3 of the BIA.

17. **GENERAL PROVISIONS**

(a) The Trustee is acting solely in its capacity as Licensed Insolvency Trustee under this Proposal and not in its personal or corporate capacity. The Trustee shall have the powers granted to it by the Proposal, by the BIA, and by any order of the Court. The Trustee and its officer(s), director(s), employee(s) or agent(s) are not and shall not be responsible or liable for any obligations of the Debtor, and shall be exempt from all personal and corporate liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

(b) Sections 95 to 101 of the BIA (with the exception of section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business or financial affairs.

(c) All payments required to be paid by or on behalf of the Debtor under the terms of this Proposal shall be paid over to the Trustee unless otherwise stated herein. The Trustee shall make all payments out of the funds paid to it in accordance with the terms of this Proposal.

(d) At the meeting of creditors to consider this Proposal, the creditors may, by vote in accordance with the BIA, appoint up to five inspectors (the "**Inspectors**") who will have, in addition to any powers of inspectors under the BIA, the power to:

i. receive any notice of default in the performance of the Proposal and waive any such default;

ii. advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and,

iii. extend the time for any payment due under this Proposal.

(e) Upon the Completion Date, all present and past directors of the Debtor shall be released and discharged by the Unsecured Creditors from liability or obligation for any claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor) where the directors are by law liable in their capacity as directors of the Debtor pursuant to section 50(13) of the BIA and subject to the exceptions in section 50(14) of the BIA.

(f) Upon the Completion Date, the Debtor shall be released and discharged from any and all Claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor).

(g) All proper Claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date up to the date of approval of this Proposal by the Superior Court of Justice in Bankruptcy and Insolvency, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the Claims of all other Creditors.

(h) The following creditors have agreed not to file a proof of claim in this Proposal and will not participate in distributions to Unsecured Creditors under this Proposal:

- 2090985 Ontario Inc.
- Alan Chimko
- The Estate of Paul Chimko
- Dmitry Puzhitsky
- 111Co.

(i) Any notices or communications in respect of this Proposal shall be delivered to the Debtor at the address set out below:

Prosysco Ltd.
c/o Reconstruct LLP
200 Bay Street, Suite 2305 Box 120
Toronto, ON M5J 2J3
Attention: Brendan Bissell
E-mail: bbissell@reconllp.com

(j) For purposes of this Proposal, Claims denominated in a currency other than Canadian Dollars will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

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Dated at Mississauga, Ontario this 14th day of September 2023

Prosysco Ltd.

DocuSigned by:

Per: ____________________

DFE2E48AE5C1422...

Name: Terrence Scott

I have the authority to bind the corporation.

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APPENDIX “D”

PROSYSCO LTD.
THIRD REVISED STATEMENT OF PROJECTED CASH FLOWS
FOR THE 24 MONTHS ENDED AUGUST 31, 2025

		Forecast - Monthly											
	Year	**2023**				**2024**							
	Month	September	October	November	December	January	February	March	April	May	June	July	August
		Month 1	**Month 2**	**Month 3**	**Month 4**	**Month 5**	**Month 6**	**Month 7**	**Month 8**	**Month 9**	**Month 10**	**Month 11**	**Month 12**
Cash balance - beginning of period	$	311,400	155,643	625,594	766,413	871,540	925,293	1,039,960	1,093,668	1,146,954	1,200,662	1,346,293	1,400,001
Cash receipts (includes HST)													
Collection of accounts receivable		1,182,777	1,497,084	1,152,952	1,170,220	1,113,844	1,160,959	1,100,000	1,099,577	1,100,000	1,191,922	1,100,000	1,117,235
Total cash receipts (including HST)		1,182,777	1,497,084	1,152,952	1,170,220	1,113,844	1,160,959	1,100,000	1,099,577	1,100,000	1,191,922	1,100,000	1,117,235
Disbursements (all applicable expenses include HST)													
Employee payroll		320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Material purchases		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Equipment rental		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Expense reimbursements & per diems		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Employer Payroll Tax		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Employer Health Tax		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vacation Pay		25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800
Employee benefits		14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	13,500
Auto expense		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
RBC LOC Interest		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Insurance		11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Rent expense		80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533
Office and general		33,550	33,550	33,550	33,550	33,550	33,750	33,750	33,750	33,750	33,750	33,750	33,750
Utilities		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Telephone and communication		2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
Travel - Hotel and Accommodations		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Meals and Entertainment		500	500	500	500	500	500	500	500	500	500	500	500
Purchase of machinery, equipment and tools		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Lease and Finance Payments		26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Prepaid Visa payments		26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Restructuring fees (legal and Trustee)		67,600	67,600	52,600	37,600	32,600	18,600	18,600	18,600	18,600	18,600	18,600	18,600
HST remittance / (refund)		60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Total disbursements (including HST)		1,027,133	1,027,133	1,012,133	997,133	992,133	978,333	978,333	978,333	978,333	978,333	978,333	977,333
Net Cash-flow from operations		155,643	469,951	140,818	173,086	121,711	182,626	121,667	121,244	121,667	213,589	121,667	139,902
Less: Distributions to CRA - Deemed Trust Claim		-	-	-	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)
Less: Distributions to RBC - Secured Claim		-	-	-	-	-	-	-	-	-	-	-	-
Less: Proposal Fund Payments		-	-	-	-	-	-	-	-	-	-	-	-
Cash balance - end of period	$	**155,643**	**625,594**	**766,413**	**871,540**	**925,293**	**1,039,960**	**1,093,668**	**1,146,954**	**1,200,662**	**1,346,293**	**1,400,001**	**1,471,945**

NOTICE TO READER:

This revised statement of projected cash-flow dated September 14, 2023 of the Company is prepared in accordance with Section 50(6) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

Prosysco Ltd.

Per: Terrence Scott
September 14, 2023

Albert Gelman Inc., solely in its capacity as Trustee in re the Proposal of Prosysco Ltd. and not in its personal or any other capacity

Per: Tom McElroy
September 14, 2023

PROSYSCO LTD.
THIRD REVISED STATEMENT OF PROJECTED CASH FLOWS
FOR THE 24 MONTHS ENDED AUGUST 31, 2025

Year		Forecast - Monthly											
		2024				2025							
Month		September	October	November	December	January	February	March	April	May	June	July	August
		Month 13	Month 14	Month 15	Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24
Cash balance - beginning of period	$	1,471,945	1,576,653	1,681,361	1,786,070	1,890,778	1,995,486	2,100,195	2,204,903	2,309,611	2,414,320	2,519,028	2,623,736
Cash receipts (includes HST)													
Collection of accounts receivable		1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Total cash receipts (including HST)		1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000	1,150,000
Disbursements (all applicable expenses include HST)													
Employee payroll		320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Material purchases		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Equipment rental		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Expense reimbursements & per diems		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Employer Payroll Tax		150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Employer Health Tax		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Vacation Pay		25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800	25,800
Employee benefits		13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500
Auto expense		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
RBC LOC Interest		15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Insurance		11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
Rent expense		80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533	80,533
Office and general		33,750	33,750	33,750	33,750	33,750	33,750	33,750	33,750	33,750	33,750	33,750	33,750
Utilities		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Telephone and communication		2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
Travel - Hotel and Accommodations		3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Meals and Entertainment		500	500	500	500	500	500	500	500	500	500	500	500
Purchase of machinery, equipment and tools		1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Lease and Finance Payments		26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Prepaid Visa payments		26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Restructuring fees (legal and Trustee)		18,600	18,600	18,600	18,600	18,600	18,600	18,600	18,600	18,600	18,600	18,600	18,600
HST remittance / (refund)		60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Total disbursements (including HST)		977,333	977,333	977,333	977,333	977,333	977,333	977,333	977,333	977,333	977,333	977,333	977,333
Net Cash-flow from operations		172,667	172,667	172,667	172,667	172,667	172,667	172,667	172,667	172,667	172,667	172,667	172,667
Less: Distributions to CRA - Deemed Trust Claim		(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)	(67,958)
Less: Distributions to RBC - Secured Claim		-	-	-	-	-	-	-	-	-	-	-	-
Less: Proposal Fund Payments		-	-	-	-	-	-	-	-	-	-	-	-
Cash balance - end of period	$	1,576,653	1,681,361	1,786,070	1,890,778	1,995,486	2,100,195	2,204,903	2,309,611	2,414,320	2,519,028	2,623,736	2,728,445

NOTICE TO READER:

This revised statement of projected cash-flow dated September 14, 2023 of the Company is prepared in accordance with Section 50(6) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report On Cash-Flow Statement and the Report On Cash-Flow Statement By The Person Making The Proposal.

District of:	Ontario
Division No.	09 - Mississauga
Court No.	32-2929201
Estate No.	32-2929201

_ FORM 29 _
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

The attached statement of projected cash flow of Prosysco Ltd., as of the 14th day of September 2023, consisting of a third revised cash flow projection for the 24-month period from September 1, 2023 to August 31, 2025, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:
☒ management or ☐ the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

(a) the hypothetical assumptions are not consistent with the purpose of the projection;

(b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or

(c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 14th day of September 2023.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Purpose:

The purpose of the third revised projection is to comply with the requirements set out in Section 50(6) of the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions

None.

Probable Assumptions

1. Prosysco (the "Company") will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company's Royal Bank of Canada ("RBC") operating accounts (CDN and USD) as of September 1, 2023. The Company will be operating without the use of its RBC credit facility during these restructuring proceedings.

3. Receipts have been estimated based on: (a) collection of accounts owing as of the date of the third revised cash flow projection; and, (b) anticipated receipts from future sales/contacts.

4. Materials purchases payments, director labour expense and employee benefits expense have been estimated based on existing and anticipated future contracts.

5. It is anticipated that suppliers will be paid on a COD or near COD basis. Certain suppliers may require deposits before continuing to supply as security for future supply of goods/services.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the month they are forecast to be incurred.

8. Office and management salaries expense includes the wages paid to salaried employees and management. This expense is included in the "Employee payroll" expense item.

9. The Company will continue to pay the accruing interest on its RBC credit facility on a monthly basis.

10. Restructuring costs consist of payments to the Debtor's legal counsel and to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings. It also includes the costs to fund the restructuring proceedings of 1110615 Ontario Ltd., the Company's parent company. 1110615 Ontario Ltd. also filed a proposal on September 14, 2023.

Dated at the City of Toronto in the Province of Ontario, this 14th day of September 2023.

Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

Bryan Gelman - Licensed Insolvency Trustee
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655

District of:	Ontario
Division No.	09 - Mississauga
Court No.	32-2929201
Estate No.	32-2929201

FORM 30
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

The management of Prosysco Ltd., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 14th day of September 2023, consisting of a third revised cash flow projection for the 24-month period from September 1, 2023 to August 31, 2025.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Mississauga in the Province of Ontario, this 14th day of September 2023.

Prosysco Ltd.
Debtor

Terrence Scott, President
Name and title of signing officer

Name and title of signing officer

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 30 - Attachment

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Purpose:

The purpose of the third revised projection is to comply with the requirements set out in Section 50(6) of the Bankruptcy and Insolvency Act (Canada).

Projection Notes:

Hypothetical assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions with respect to a set of economic conditions or courses of action which are not necessarily the most probable in the insolvent person's judgement, but are consistent with the purposes of the Statement of Projected Cash Flow.

Probable assumptions, as defined in the Standards of Professional Practice of the Canadian Association of Insolvency and Restructuring Professionals, are assumptions that the insolvent person believes reflects the most probable set of economic conditions and expected courses of action.

Assumptions:

Hypothetical Assumptions

None.

Probable Assumptions

1. Prosysco (the "Company") will continue to operate during these restructuring proceedings.

2. The opening cash balance represents the cash balance in the company's Royal Bank of Canada ("RBC") operating accounts (CDN and USD) as of September 1, 2023. The Company will be operating without the use of its RBC credit facility during these restructuring proceedings.

3. Receipts have been estimated based on: (a) collection of accounts owing as of the date of the third revised cash flow projection; and, (b) anticipated receipts from future sales/contacts.

4. Materials purchases payments, director labour expense and employee benefits expense have been estimated based on existing and anticipated future contracts.

5. It is anticipated that suppliers will be paid on a COD or near COD basis. Certain suppliers may require deposits before continuing to supply as security for future supply of goods/services.

6. Existing vendors, or suitable alternates, will continue to supply the Company with goods and services in a timely fashion necessary for the Company to maintain operations and meet customer obligations.

7. All expenses have been recorded in the month they are forecast to be incurred.

8. Office and management salaries expense includes the wages paid to salaried employees and management. This expense is included in the "Employee payroll" expense item.

9. The Company will continue to pay the accruing interest on its RBC credit facility on a monthly basis.

10. Restructuring costs consist of payments to the Debtor's legal counsel and to the Proposal Trustee to fund their respective ongoing fees and disbursements during these restructuring proceedings. It also includes the costs to fund the restructuring proceedings of 1110615 Ontario Ltd., the Company's parent company. 1110615 Ontario Ltd. also filed a proposal on September 14, 2023.

Dated at the City of Mississauga in the Province of Ontario, this 14th day of September 2023.

Prosysco Ltd.

APPENDIX “E”

District of: ON
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Affidavit of Service

I, Ashley Robinson, of the City of Toronto, in the Province of Ontario, an employee of Albert Gelman Inc., hereby make oath (or solemnly affirm) and say:

1. That on the 22nd day of September 2023, I did cause to be sent by email, fax or by regular mail to all parties on the service list attached hereto as **Exhibit "A"**, the following document(s):
    a) **Exhibit "B"** titled Creditors Package (including Proposal, Trustees Report to Creditors on Proposal, Companies Statement of Affairs, Proof of claim, Voting Letter and Proxy)
    b) **Exhibit "C"** titled Form 92 – Notice of Proposal to Creditors

2. And that on the 22nd day of September 2023, a copy of these documents were emailed to the Corporate Officer Terrene Scott at tsdscott@prosyscoltd.com.

3. And on the 22nd day of September 2023 a copy of Form 92 was e-filed with the Official Receiver. A copy of the e-filing confirmation is attached hereto as **Exhibit "D"**.

Sworn remotely by Ashley Robinson at Toronto, Ontario }
before me at Stouffville Ontario in accordance with }
O. Reg. 431/20, Administering Oath or Declaration }
Remotely, this 22nd day of September 2023 }

Ashley Robinson
SMUZA37L9NAH1SW9
Ashley Robinson

L. Valleau

A Commissioner of Oaths

Laurianne Valleau, Commissioner of Oaths
For the Province of Ontario
Expires February 1, 2026

This is **Exhibit "A"** referred to in

the Affidavit of Ashley Robinson

Sworn by videoconference on this 22nd day of September 2023

Commissioner for taking Affidavits

Laurianne Valleau, Commissioner of Oaths

For the Province of Ontario

Expires February 1, 2026

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga. in the Province of Ontario

Creditor Type	Name	Attention	Address	
Director	Terrence Scott		6101 Netherhart Road. 2 Mississauga ON L6S 4E4 pchimko@prosyscoltd.com	email
Deemed Trust Claim	CRA - Tax - Ontario		120951181RP0001 Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (833) 697-2390	fax
Secured	BMW Canada Inc.	Financial Services Department	50 Ultimate Drive Richmond Hill ON L4S 0C8 Fax: (866) 217-1269	fax ~~email~~
	Canaccede International Acquisitions Ltd.	Janet Teare	PO Box 9 Stn B London ON N6A 4Y8 Fax: (416) 800-8753 insolvency@canaccede.com	email
	Ford Credit Canada Limited	Bankruptcy Department	Box 1800 RPO Lakeshore West Oakville ON L6K 0J8 Fax: (780) 443-5367 bbankrup@ford.com	email
	Honda Canada Finance Inc c/o BankruptcyHighway.com	Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2 Fax: (416) 253-3610 bankruptcydocuments@asset.net	email
	RBC Royal Bank		c/o Harrison Penza LLB. Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2 Fax: (519) 667-3362 thogan@harrisonpensa.com	email
	Toyota Credit Canada Incorporated	Anca. Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5 Fax: (800) 665-4948	fax
Unsecured	2289722 Ontario Inc.	Mike Putz	20 Wagar Road Cameron ON K0M 1G0 mputz@bell.net	email
	Abell Pest Control Inc		246 Attwell Drive Etobicoke ON M9W 5B4 tvair@abellgroup.com	email
	ACI Central Inc		PO Box 53 Charlottetown PE C1A 7K1 kcudmore@aciern.com	email
	Acklands Grainger Inc.		P.O. Box 2970 Winnipeg MB R3C 4B5 accountsreceivable@agi.ca	email
	Advanced Motion & Controls LTD		26 Saunders Road Barrie ON L4N 9A8 accounting@advancedmotion.com	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Air Liquide		1700 Steeles Ave E Bramalea ON L6T 1A6 efteanada@airliquide.com	email
	Aird & Berlis LLP	Judy L. Zammit	Brookfield Place 181 Bay Street Suite 1800 Box 754 Toronto ON M5J 2T9 Fax: (416) 863-1515	fax
	Alantra Leasing		P.O. Box 4375, 98 Cougle Road Sussex NB E4E 5L5 accounts@alantraleasing.com	email
	Alfa Laval Inc.	Zahra Akbari	c/o TH1301, P.O. Box 4290, Postal Station A Toronto ON M5W 0E1 Fax: (416) 253-8690 canada.accountsreceivables@alfalaval.com	email
	All Custom Gasket & Materials Ltd.		355 Watline Avenue Mississauga ON L4Z 1P3	mail
	Alpha Controls & Instrumentation		361 Steelcase Rd W. Suite6 Markham ON L3R 3V8 ar@alphacontrols.com	email
	Ampco Pumps Co., Inc.		1155 Boul Rene-Levesque West. @ 2810 Montreal QC H3B 2L2 sophie.normandin@wulerhermes.com	email
	Anderson Instrument Company, Inc.		PO Box 96060 Chicago IL 60693-6060 ar@anderson-negele.com	email
	ATCO Structures & Logistics Ltd.		65 Reive Blvd. PO Box 1089 Cookstown ON L0L1L0 ar@atcosl.com	email
	AVCO (Alloy Valves and Control)		3210 S. Susan Steet Santa Ana CA 92704 jparra@avcovalve.com; accounting@avcovalve.com	email
	Aztec Electrical Supply Inc.		25 North Rivermede Rd. #4-10 Concord ON L4K 5V4 cspizzirri@aztecsupply.com	email
	BELTSERVICE CANADA COMPANY		C/O T10205CP.O. BOX 4918, STN A Toronto ON M5W 0C9 nburton@beltservice.com	email
	BERCON RENTALS		503 Carling view drive Etobicoke ON M8W5H2 ar@bercon.ca	email
	Blickle Canada Inc.		265 Avenue Liberte Candiac QC J5R 3X8 Fax: (450) 845-6262 info@blickle.ca	email
	BMW Canada Inc.	Financial Services Department	50 Ultimate Drive Richmond Hill ON L4S 0C8 Fax: (866) 217-1269	fax ~~email~~
	Brand Blvd		261 Martindale Road, Unit 5 St Catherines ON L2W 1A1 ar@brandblvd.ca	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Burkert Fluid Control Systems		11425 Mt. Holly-Huntersville Road Huntersville NC 28078 Chris.Bumgardner@burkert.com	email
	BURT PROCESS EQUIPMENT		100 Overlook Drive Hamden CT 16514 AR@burtprocess.com	email
	Business Systems Inc.		5800 Coopers Ave Mississauga ON L5T 2J3 megan@busys.ca	email
	C.F.F. Stainless Steels		1840 Burlington Street. East Hamilton ON L8H 3L4 credit@cffstainless.com	email
	Canaccede International Acquisitions Ltd.	Janet Teare	PO Box 9 Stn B London ON N6A 4Y8 Fax: (416) 800-8753 insolvency@canaccede.com	email
	Cedar Springs		45 Villarboit Cres. # 2 Concord ON L4K 4R2 payments@cedarspringswater.com	email
	Chandler Industrial Supplies		1051 Brevik Place Mississauga ON L4W 3R7 michele@chandlerindustrial.com	email
	Cintas		23 Torlake Crescent Toronto ON M8Z 1B5 CADEFTRemits@cintas.com	email
	Colson Group Canada. Inc.		c/o Bank of America LBX 917150PO Box 4090 Stn A Toronto ON M5W 0E9 payments@colsongroupcanada.ca	email
	COMMERCIAL AIR COMPRESSOR LTD.		95 Konrad Crescent Markham ON L3R 8T8 jennifer@comm-air.com	email
	Concept Storage Solutions		1470 Creditstone Rd Vaughan ON L4K5W2 rsproviero@conceptstorage.com	email
	Contro Valve Equipment inc.		3375 North Service Road Units B4-B6 Burlington ON L7N 3G2 pgoswami@controvalve.com	email
	Core Industrial Gases Inc		395 Frankcom Street Ajax ON L1S 1R4 selvarajahw@coregases.ca	email
	CRA - Nova Scotia Tax Services Office - Halifax		PO Box 638 Halifax NS B3J 2T5 Fax: (866) 229-0839	fax
	Crown Industrial Roofing		227 Queens Plate Drive. Unit 3 Toronto. ON M9W 6Z7 accountspayable@crownroofing.ca	email
	CSI Equipment & Service		2700 N Partnership Blvd Springfield MO 65803 ar@csidesigns.com	email
	CWB National Leasing Inc./ (formerly National Leasing Group Inc)	Bankruptcy Designate	1525 Buffalo Pl Winnipeg MB R3T 1L9 Fax: (866) 408-4852 debtenforcement@cwbnationalleasing.com	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Dafco Filtration Group		1300 Aerowood Drive Mississauga ON L4W 1B7 estar@filtrationgroup.com	email
	Dampney Company, Inc.		85 Paris Street Everett MA 12149	mail
	De Lage Landen Financial Services		001-0285270-000; 001-0257459-000 5046 Mainway Unit 1 Burlington ON L7L 5Z1 corporateca@dllgroup.com	email
	De Lage Landen Financial Services Canada Inc.		Printer & Forklift leases 3450 Superior Court Unit 1 Oakville ON L6L 0C4 csd.nl@dllgroup.com	email
	Donaldson Company, Inc.		PO Box 207356 Dallas TX 75320-7356	mail
	Echelon General Insurance Company		300 - 2680 Matheson Blvd E Mississauga ON L4W 0A5 Fax: (905) 214-7881	mail
	Endress + Hauser Canada Ltd.	Suzie Banwait	1244 International Blvd. Burlington ON L7L 0K2 Fax: (905) 681-3736 suzie.banwait@endress.com	email
	Eri-son Instrumentation Services Corp.		32 Dawnridge Trail Brampton ON L6Z 2A1	mail
	EVOQUA Water Technologies Ltd.		P.O. Box 15738 STN A Toronto ON M5W 1C1 Electronicfunds@evoqua.com	email
	Fabco Plastics Wholesale		2175-A Teston Rd MAPLE ON L6A1T3 ar@sharedmanagement.ca	email
	Fastenal Canada - Kitchener		117 - 860 Trillium Drive Kitchener ON N2R 1K4 Fax: (519) 748-4230	mail
	Fastening House Inc.		160 Bass Pro Mills Dr. Vaughan ON L4K 0A7 ar@fasteninghouse.com	email
	Federal Express Canada Ltd		P.O. Box 4626 Toronto Station A Toronto ON M5W 5B4 caneftremit@fedex.com	email
	Ford Credit Canada Limited	Bankruptcy Department	Box 1800 RPO Lakeshore West Oakville ON L6K 0J8 Fax: (780) 443-5367 bbankrup@ford.com	email
	GENERATIONS CLEANING INC.		1129 Wentworth St-B3 OSHAWA ON L1J 8P7 ar@gcbsgroup.com	email
	GFL Environmental Inc.		39 Fenmar Drive North York ON M9L 1M1 accountsreceivable@gflenv.com	email
	Gould Stainless Products Ltd.		114L 6027 – 79 Avenue SE Calgary AB T2C 5P1 ritar@gouldstainless.com	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	GTI Roll Transportation Services Inc.		5020 Rue Fairway Lachine QC H8T 1B8 arcashapplication@thegtigroup.com	email
	Hansler Smith Limited		P.O. BOX 310 Brockville ON K6V 5V5 lpipe@hansler.com	email
	Honda Canada Finance Inc c/o BankruptcyHighway.com	Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2 Fax: (416) 253-3610 bankruptcydocuments@asset.net	email
	HOOPP Realty Inc.	Carol Liu	30687-10024702-Prosysco Ltd 5750 Explorer Drive. Suite 402 Mississauga ON L4W 0A9 cliu@mindengross.com	email
	Impro		5265 General Road Mississauga ON L4W 2K4 ar@polrcorp.com	email
	Inovinox USA. LLC		7875 SW 104 Street - Suite 103 Miami FL 33156 sales@inovinox.us	email
	Intempco Controls Ltd		880 Selkirk Avenue Pointe-Claire QC H9R 3S3 accounting@intempco.com	email
	ITM Instruments Inc.		16975 Leslie Street Newmarket ON L3Y 9A1 information@ITM.com	email
	John Brooks Company Limited		2625 Meadowpine blvd. Mississauga ON L5N 7K5 EFT@johnbrooks.ca	email
	KINEQUIP INC.		333 Wyecroft Rd. Unit 8 Oakville ON L6K 2H2 ar@kinequip.com	email
	KJV Courier Service		3858 Chesswood Drive Downsview ON M3J 2W6 lpileggi@kjvcourier.com	email
	Line Process Controls Inc.		50 Venture Drive. Unit8 Scarborough ON M1B 3L6 diane@lineprocess.com	email
	Livingston International		P.O. Box 5640Terminal A Toronto ON M5W 1P1 epayment@livingstonintl.com	email
	LZR FIT Pressure Vessel Heads		1119A Bridge Street Tomahawk WI 54487 sam.chaney@samuel.com	email
	Max Precision Turning Inc.		349 Bowes Rd. Unit 24 Concord ON L4K 1J3 maxprecision@hotmail.com	email
	McMaster-Carr		200 Aurora Industrial Parkway Aurora OH 44202 USA remittance.processing@mcmaster.com	email
	Meridian Onecap Credit Corporation (formerly Roynat Lease Finance - Toronto)		650424 PO Box 30597 RPO Madison Burnaby BC V5C 6J5 collections@meridianonecap.ca	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Minister of Finance (PEI)		31 Gordon Drive Charlottetown PE C1A 6B8	mail
	MISTRAS Services Inc.		C/O Lockbox 915890P.O. Box 4090 STN A Toronto ON M5W 0E0 canadaremit@mistrasgroup.com	email
	MOBILE MINI STORAGE SOLUTIONS		73 BROWNS LINE TORONTO ON M8W 3S2 cashdept@mobilemini.com	email
	Newman Sanitary Gasket Co		964 W Main St Lebanon OH 45036 USA Fax: (513) 932-4493	fax
	Noble Corporation		7171 Jane Street Concord ON L4K 1A7 eft@noble.ca; ar@noble.ca	email
	OMOF- Ontario Ministry of Finance		11th Floor 777 Bay St Toronto ON M5G 2C8 Fax: (416) 325-1460 Insolvency.Unit@ontario.ca	email
	Ontario Hose Specialties Inc.		7245 Pacific Circle Mississauga ON L5T 1V1 ar@ontariohose.com	email
	ONYX FIRE PROTECTION SERVICES INC.		400 Matheson Blvd West Mississauga ON L5R 0H1 ar@onyx-fire.com	email
	Original Power Tool Co. Ltd.		7508 Bath Rd. Mississauga ON L4T 1L2 lynda@originalpower.ca	email
	PORTA-PLUS PORTABLES		210 SUMMERFIELD DRIVE GUELPH ON N1L1L3 accounting@portaplusportables.com	email
	PowerOn Computer Systems		35 West Pearce St. Unit 36 Richmond Hill ON L4B 3A9 info@poweroncomputers.com	email
	Province Electric Supply		425-6 Superior Blvd Mississauga ON L5T 2W5 receivables@province-electric.com	email
	Purolator Inc.		P.O. Box 1100Etobicoke Postal Stn A Etobicoke ON M9C 5K2 paymentremit@purolator.com	email
	Qualtech Distribution		7795 Raoul-Lassonde St-Hyacinthe QC J2R 1E4 tania@distributionqualtech.com	email
	Ram Imaging Products Inc.		1040 Martin Grove Rd.Unit 6 Etobicoke ON M9W 4W4 nmueller@ramimaging.ca	email
	RBC Royal Bank		c/o Harrison Penza LLB. Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2 Fax: (519) 667-3362 thogan@harrisonpensa.com	email
	Rolark Stainless Steel Inc.		71 Conair Parkway Woodbridge ON L4H 0S4 ar@rolark.com	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Rudy's Machine Ltd		2901 Greenfield Rd Ayr ON N0B 1E0 koleksinski@duny.ca	email
	S.B. Simpson		16 Rutherford Rd S Brampton ON L6W 3J1 ar@sbsimpson.com	email
	SAMSON Controls Inc.		1-105 Riviera Drive Markham ON L3R 5J7 accounting-ca@samsongroup.com	email
	Sarnia Piping Specialties Ltd		765 Evett StreetP.O. Box 2018 Sarnia ON N7T 7L1 tracy@spssales.com	email
	Solid Caddgroup Inc.		201- 1325 Polson Drive Vernon BC V1T 8H2 Fax: (905) 474-1899 info@solidcad.ca	email
	Spark Power Low Voltage Services Inc.		former New Electric Enterprises Inc. ATTN: Legal Department 1337 North Service Road East, Suite 200 Oakville ON L6H 1A7 paul.demarco@sparkpowercorp.com plelko@sparkpowercorp.com	email
	Spirax Sarco Canada		383 Applewood Cres Concord ON L4K 4J3 ar@spirax.ca	email
	Stanley Manufacturing Company		230 Bartley Dr. Toronto ON M4A 1G3 accounting@stanleymfg.com	email
	Staples Business Advantage		c/o T04446CPO Box 4446, STN A Toronto ON M5W 4A2	mail
	Steel & O'Brien Manufacturing, Inc		Department 2250 PO Box 986500 Boston MA 02298-6500 AR@steelobrien.com	email
	Stonhard		95 Sunray Street Whitby ON L1N 9C9 canada@stoncor.com	email
	Sunbelt Rentals of Canada		535 Welham Road Barrie ON L4N 8Z6 areft.canada@sunbeltrentals.com	email
	Syntiro Dynamics, LLC.		P.O. Box 1154 Wall NJ 17719 accounts@syntirocorp.com	email
	T.A. Networks Inc.		6750 Davand Drive #9 Mississauga ON L5T 2L8 ap@tanetworks.ca	email
	THE PRINT HOUSE		6155 Tomken Road Unit 5 MISSISSAUGA ON L5T1X3 tphcustomerpayments@tph.ca; bfrancis@tph.ca	email
	Toyota Credit Canada Incorporated	Anca. Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5 Fax: (800) 665-4948	fax

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Triovest Realty Advisors Inc.		Landlord-8 Prologis blvd 103-400 40 University Avenue. Suite 1200 Toronto. ON M5J 1T1 ssulku@triovest.com	email
	United Rentals of Canada. Inc.		C/O T52638P.O. BOX 4526. POSTAL STATION A Toronto ON M5W 5Z9 eft@ur.com	email
	Valutech		10-3761 Victoria Park Avenue Toronto ON M1W 3S3 lori@valutechinc.com	email
	Vault Credit Corporation		5 - 41 Scarsdale Rd Toronto ON M3B 2R2 support@vaultcredit.ca	email
	Vault Credit Corporation		lease 5 - 41 Scarsdale Rd Toronto ON M3B 2R2 support@vaultcredit.ca	email
	voestalpine Bohler Welding Group		1745 Meyerside Dr. Units 1-3 Mississauga ON L5T 1C6 janine.boynton@voestalpine.com	email
	Wachs Canada Inc.		a Division of ITW Canada Inc.PO Box 57539 STN A Toronto ON M5W 5M5 arcanada@itw-ocw.com	email
	Watson Marlow		383 Applewood Crescent Concord ON L4K 4J3 accounting.ca@wmftg.com	email
	Weston Valve & Fitting Ltd.		6471 Edwards Boulevard Mississauga ON L5T 2V2 ar@soac.swagelok.com	email
	WIKA Instruments Ltd.		#1. 2679 Bristol Circle Oakville ON L6H 6Z8 Paula.Charbonneau@wika.com	email
	Yula Corp. Heat Exchanger Specialtists		330 Bryant Ave Bronx NY 10474-7113 matt.feldman@yulacorp.com	email

Ashley Robinson

From: Ashley Robinson
Sent: September 22, 2023 10:09 AM
To: pchimko@prosyscoltd.com
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments: Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

Dear Terrence,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

****

Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

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FW: Prosysco Ltd. - Notice of Proposal to Creditors

Reply Reply All Forward

Ashley Robinson
To Ashley Robinson

Fri 2023-09-22 10:16 AM

Bcc 'insolvency@canaccede.com'; 'bbankrup@ford.com'; 'bankruptcydocuments@asset.net'; 'thogan@harrisonpensa.com'; 'mputz@bell.net'; 'tvair@abellgroup.com'; 'keudmore@acicm.com'; 'accountsreceivable@agi.com'; 'accounting@advancedmotion.com'; 'eftcanada@airliquide.com'; 'accounts@alantraleasing.com'; 'canaca.accountsreceivables@alfalaval.com'; 'ar@alphacontrols.com'; 'sophie.normandin@wulerhermes.com'; 'ar@anderson-negele.com'; 'ar@atcosl.com'; 'jparra@avcovalve.com'; 'accounting@avcovalve.com'; 'cspizzirri@aztecsupply.com'; 'nburton@beltservices.com'; 'ar@bercon.ca'; 'info@blickle.ca'; 'ar@brandblvd.ca'

You forwarded this message on 2023-09-22 10:20 AM.

Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf
4 MB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditors,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address)| www.albertgelman.com

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Delete Respond Teams Apps Quick Steps Move Tags Editing Immersive Language Zoom Find Time Add-in

FW: Prosysco Ltd. - Notice of Proposal to Creditors

Ashley Robinson
To Ashley Robinson
Bcc 'chris.bumgardner@burkert.com'; 'ar@burtprocess.com'; 'megan@busys.ca'; 'credit@cffstainless.com'; 'insolvency@canaccede.com'; 'payments@cedarspringswater.com'; 'michele@chandlerindustrial.com'; 'CADEFTRemits@cintas.com'; 'payments@colsongroupcanada.ca'; 'jennifer@comm-air.com'; 'rsproviero@conveptstorage.com'; 'pgoswami@controvalve.com'; 'selvarajahw@coregases.ca'; 'accountspayable@crownroofing.ca'; 'ar@csidesigns.com'; 'debtenforcement@cwbnationalleasing.com'

Reply Reply All Forward
Fri 2023-09-22 10:20 AM

You forwarded this message on 2023-09-22 10:49 AM.

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4 MB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditors,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address)| www.albertgelman.com

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FW: Prosysco Ltd. - Notice of Proposal to Creditors

Ashley Robinson
To Ashley Robinson
Bcc estar@ifiltrationgroup.com; corporateca@dllgroup.com; csd.nl@dssggroup.com; suzie.banwait@endress.com; electronicfunds@evoqua.com; ar@sharedmanagement.ca; ar@fasteninghouse.com; caneftremit@fedex.com; bbankrup@ford.com; ar@gcbsgroup.com; accountsreceivable@gflenv.com; ritar@gouldstainless.com; arcashapplication@thegtigroup.com; lpipe@hansler.com; bankruptcydocuments@asset.net; cliu@mindengross.com; ar@polrcorp.com; sales@inovinox.us; accounting@intempco.com; information@itm.com; eft@johnbrooks.ca; ar@kinequip.com; lpileggi@kjvcourier.com; diane@lineprocess.com; epayment@livingstonintl.com; sam.chaney@samuel.com; maxprecision@hotmail.com; remittance.processing@mcmaster.com; collections@meridianonecap.ca

Reply Reply All Forward

Fri 2023-09-22 10:50 AM

You forwarded this message on 2023-09-22 10:59 AM.

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4 MB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditors,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

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Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

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FW: Prosysco Ltd. - Notice of Proposal to Creditors

Reply | Reply All | Forward

Ashley Robinson
To Ashley Robinson
Fri 2023-09-22 10:57 AM

Bcc canadremit@mistrasgroup.com; cashdept@mobilemini.com; eft@noble.ca; ar@noble.ca; insolvency.unit@ontario.ca; ar@ontariohose.com; ar@onyx-fire.com; lynda@originalpower.ca; accounting@portaplusportables.com; I.T. Support; receivables@province-electric.com; paymentsremit@purolator.com; tania@distributionqualtech.com; nmueller@ramimaging.ca; thogan@harrisonpensa.com; ar@rolark.com; koleksinski@suny.ca; ar@sbsimpson.com; accounting-ca@samsongroup.com; tracy@spsales.com; info@solidcad.ca; paul.demarco@sparkpowercorp.com; plefko@sparkpowercorp.com; ar@spirax.ca; accounting@stanleymfg.com; ar@steelobrien.com; canada@stoncor.com; aref.canada@sunbeltrentals.com; accounting@syntirocorp.com; ap@tanetworks.ca; tphcustomerpayments@tph.ca;

Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf
4 MB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditors,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address)| www.albertgelman.com

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Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

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Delete Respond Teams Apps Quick Steps Move Tags Editing Immersive Language Zoom Find Time Add-in

FW: Prosysco Ltd. - Notice of Proposal to Creditors

Ashley Robinson
To Ashley Robinson
Bcc ssulku@triovest.com; eft@ur.com; lori@valutechine.com; support@vaultcredit.ca; janine.boynton@voestalpine.com; arcanada@itw-ocw.com; accounting.ca@wmftg.com; ar@soac.swagelok.com; paul.charbonneau@wika.com; Matthew Feldman

Reply Reply All Forward

Fri 2023-09-22 10:59 AM

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Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf
4 MB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditors,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address)| www.albertgelman.com

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Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

****

Ashley Robinson

From: SRFax Delivery Notification <fax@srfax.com>
Sent: September 22, 2023 11:42 AM
To: Fax; Ashley Robinson
Subject: SRFax Transmission Successful to 1 866-217-1269, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments: 262232_20230922082148-7054_01.pdf

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:22 AM**
Recipient Fax:	**1 866-217-1269**
Remote Fax ID:	**8648017880**
# of Pages Sent:	**45 of 45 (Call Length: 18:25)**

Open the attached file to view faxed document.

Preview of Page 1.

The Albert Gelman Partnership
Tel: 416-504-1650 Fax: 416-504-1655
www.albertgelman.com

Fax

To: 18662171269 **From:** Ashley Robinson
Fax: 1-866-217-1269 **Date:** Sep 22, 2023 11:20 AM
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal

Date of Filing, April 1, 2023

Estate # 32-2929201

[illegible]

Ashley Robinson

From:	Ashley Robinson
Sent:	September 22, 2023 11:17 AM
To:	18662171269@srfax.com
Subject:	FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear BMW,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

****

Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

****

Ashley Robinson

From:	Ashley Robinson
Sent:	September 22, 2023 11:00 AM
To:	18336972390@srfax.com
Subject:	FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear CRA,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

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Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

****

Ashley Robinson

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	September 22, 2023 11:32 AM
To:	Fax; Ashley Robinson
Subject:	SRFax Transmission Successful to 1 833-697-2390, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	262232_20230922080138-4562_02.pdf

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:04 AM**
Recipient Fax:	**1 833-697-2390**
Remote Fax ID:	**Fax Server**
# of Pages Sent:	**45 of 45 (Call Length: 24:47)**

Open the attached file to view faxed document.

Preview of Page 1.

The Albert Gelman Partnership
Tel: 416-504-1650 Fax: 416-504-1655
www.albertgelman.com

Fax

To:	18336972390	From:	Ashley Robinson
Fax:	1-833-697-2390	Date:	Sep 22, 2023 11:00 AM

Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal

Date of Filing: April 1, 2023

Estate # 32-2929201

Dear Cred.

Ashley Robinson

From:	Laurianne Valleau
Sent:	September 22, 2023 11:42 AM
To:	Ashley Robinson
Subject:	FW: SRFax Transmission Successful to 1 800-665-4948, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	262232_20230922080151-3316_06.pdf

Laurianne Valleau Senior Associate, Professional Support Group

ALBERT GELMAN

SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 121 | F: 416.504.1655 | E: lvalleau@albertgelman.com | 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

From: SRFax Delivery Notification <fax@srfax.com>
Sent: Friday, September 22, 2023 11:27 AM
To: Fax <fax@albertgelman.com>; Ashley Robinson <arobinson@albertgelman.com>
Subject: SRFax Transmission Successful to 1 800-665-4948, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:05 AM**
Recipient Fax:	**1 800-665-4948**
Remote Fax ID:	**18006654948**
# of Pages Sent:	**45 of 45 (Call Length: 18:47)**

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Ashley Robinson

From:	Ashley Robinson
Sent:	September 22, 2023 11:17 AM
To:	4168631515@srfax.com
Subject:	FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

From: Ashley Robinson
Sent: Friday, September 22, 2023 11:01 AM
To: 18006654948@srfax.com
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Aird and Berlis LLP,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

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Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

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Ashley Robinson

From: SRFax Delivery Notification <fax@srfax.com>
Sent: September 22, 2023 11:48 AM
To: Fax; Ashley Robinson
Subject: SRFax Transmission Successful to 1 416-863-1515, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments: 262232_20230922082043-6602_06.pdf

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:21 AM**
Recipient Fax:	**1 416-863-1515**
Remote Fax ID:	**AirdBerlis**
# of Pages Sent:	**45 of 45 (Call Length: 25:02)**

Open the attached file to view faxed document.

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The Albert Gelman Partnership
Tel: 416-504-1650 Fax: 416-504-1655
www.albertgelman.com

Fax

To: 4168631515 **From:** Ashley Robinson
Fax: 1-416-863-1515 **Date:** Sep 22, 2023 11:20 AM
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

From: Ashley Robinson
Sent: Friday, September 22, 2023 11:01 AM
To: [illegible]
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal

Date of Filing: April 1, 2023

Ashley Robinson

From:	Ashley Robinson
Sent:	September 22, 2023 11:28 AM
To:	'15139324493@srfax.com'
Subject:	FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Newman Sanitary Storage,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

****

Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

****

Ashley Robinson

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	September 22, 2023 11:50 AM
To:	Fax; Ashley Robinson
Subject:	SRFax Transmission Successful to 1 513-932-4493, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	262232_20230922082939-1492_04.pdf

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:30 AM**
Recipient Fax:	**1 513-932-4493**
Remote Fax ID:	**5139324493**
# of Pages Sent:	**45 of 45 (Call Length: 18:10)**

Open the attached file to view faxed document.

Preview of Page 1.

The Albert Gelman Partnership
Tel: 416-504-1650 Fax: 416-504-1655
www.albertgelman.com

Fax

To:	15139324493	From:	Ashley Robinson
Fax:	1-513-932-4493	Date:	Sep 22, 2023 11:29 AM

Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal

Date of Filing: April 1, 2023

Estate # 32-2929201

Dear Newmer Sanitary Storage,

Ashley Robinson

From:	Ashley Robinson
Sent:	September 22, 2023 11:26 AM
To:	18662290839@srfax.com
Subject:	FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear CRA,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

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Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

****

Ashley Robinson

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	September 22, 2023 11:54 AM
To:	Fax; Ashley Robinson
Subject:	SRFax Transmission Successful to 1 866-229-0839, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments:	262232_20230922082654-7130_05.pdf

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:27 AM**
Recipient Fax:	**1 866-229-0839**
Remote Fax ID:	**Fax Server**
# of Pages Sent:	**45 of 45 (Call Length: 24:51)**

Open the attached file to view faxed document.

Preview of Page 1.

The Albert Gelman Partnership
Tel: 416-504-1650 Fax: 416-504-1655
www.albertgelman.com

Fax

To:	18662290839	**From:**	Ashley Robinson
Fax:	1-866-229-0839	**Date:**	Sep 22, 2023 11:26 AM

Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal

Date of filing: April 1, 2023

Estate # 32-2929201

Dear CRA,

Ashley Robinson

From: Ashley Robinson
Sent: September 22, 2023 11:01 AM
To: 18006654948@srfax.com
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments: Notice of Proposal to Creditors - Prosysco Ltd_-signed (with enclosures).pdf

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Toyota,

Please see attached a copy of the Notice of Creditors for Prosysco Ltd.

Ashley (Smithson) Robinson, *Associate, Professional Support Group*

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. | T: 416.504.1650 ext. 110# | F: 416.504.1655 60 Shaftesbury Ave., Toronto, ON M4T 1A3 (New Address) | www.albertgelman.com

****

Office locations: Toronto / Mississauga (ON), Edmonton (AB) and Vancouver (BC) http://albertgelman.com/financialsolutions/locations/

****

Ashley Robinson

From: SRFax Delivery Notification <fax@srfax.com>
Sent: September 22, 2023 11:55 AM
To: Fax; Ashley Robinson
Subject: SRFax Transmission Successful to 1 800-665-4948, Re:FW: Prosysco Ltd. - Notice of Proposal to Creditors
Attachments: 262232_20230922083036-3289_02.pdf

SRFAX

Transmission Status:	**Sent**
Subject:	**FW: Prosysco Ltd. - Notice of Proposal to Creditors**
Ref. Code:	
Sender:	**905-415-9874 (arobinson@albertgelman.com)**
Fax Sent:	**Sep 22, 2023 11:30 AM**
Recipient Fax:	**1 800-665-4948**
Remote Fax ID:	**18006654948**
# of Pages Sent:	**45 of 45 (Call Length: 9:01)**

Open the attached file to view faxed document.

Preview of Page 1.

The Albert Gelman Partnership
Tel: 416-504-1650 Fax: 416-504-1655
www.albertgelman.com

Fax

To: 18006654948 **From:** Ashley Robinson
Fax: 1-800-665-4948 **Date:** Sep 22, 2023 11:29 AM
Subject: FW: Prosysco Ltd. - Notice of Proposal to Creditors

Prosysco Ltd. - Corporate Proposal

Date of Filing: April 1, 2023

Estate # 32-2929201

Dear [illegible]

This is **Exhibit "B"** referred to in

the Affidavit of Ashley Robinson

Sworn by videoconference on this 22nd day of September 2023

Commissioner for taking Affidavits

Laurianne Valleau, Commissioner of Oaths

For the Province of Ontario

Expires February 1, 2026

ALBERT GELMAN

Estate No. / Court No.: 32-2929201

IN THE MATTER OF THE PROPOSAL OF
PROSYSCO LTD.
OF THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTATIO

NOTICE OF PROPOSAL TO CREDITORS
(Section 51(1) of the *Bankruptcy and Insolvency Act* (Canada))

Take notice that Prosysco Ltd. (the "**Company**") of the city of Mississauga in the Province of Ontario has lodged with us a Proposal (defined below).

Enclosed please find the following documents:

1. Proposal, under Part III, Division I of the BIA lodged with Albert Gelman Inc. (the "**Proposal Trustee**") by the Company and filed with the Official Receiver on September 14, 2023 (the "**Proposal**");
2. Trustee's Report to Creditors on the Proposal dated September 20, 2023;
3. The Company's Statement of Affairs sworn September 14, 2023; and,
4. Proof of claim form, voting letter and proxy.

A general meeting of the creditors will be held on October 4, 2023 at 3 p.m. (Toronto time). Creditors wishing to attend the meeting may join the meeting by either video or telephone as set out below.

Microsoft Teams
Videoconference - Meeting ID: 273 417 190 339; Passcode: Meq22F
Telephone – No: 437-703-4516 PIN: 868787987#

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

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

Date at the city of Toronto in the province of Ontario this 20th day of September 2023

ALBERT GELMAN INC., solely in its
capacity as Trustee in *re* the Proposal of Prosysco Ltd.
and not in its personal capacity

Digitally signed by Bryan Gelman

Per: ______________________
Bryan Gelman, *CIRP, LIT*

Albert Gelman Inc. – 60 Shaftesbury Ave., Toronto, ON – Tel: 416 504 1650 – Fax: 416 504 1655 – albertgelman.com

District of Ontario
Division No.: 09 - Mississauga
Estate No.: 32-2929201
Court No.: 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(In Bankruptcy and Insolvency)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

PROPOSAL

(Dated September 14, 2023)

Prosysco Ltd., the above-named Debtor (the "**Debtor**"), hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c.B-3, as amended (the "**BIA**").

1. DEFINITIONS

In this Proposal, the following terms have the meaning herein set out:

(a) **Claim.** A "claim provable" is as defined in the BIA. For clarification, this includes any debt or liability, present or future, to which the Debtor was subject on the NOI Date or to which the Debtor may become subject before the Completion Date by reason of any obligation incurred before the NOI Date, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease or agreement, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date. In the event of any inconsistency between this definition and the definition of "claim provable" as defined in the BIA, the terms of the BIA shall prevail.

(b) **CRA.** Canada Revenue Agency.

Initial

(c) **Completion Date**. The date on which the Trustee files its certificate of completion, certifying that this Proposal has been fully performed by the Debtor.

(d) **Final Approval.** Acceptance of the Proposal by the creditors of the Debtor and approval by the Court, both in accordance with the BIA, and any appeal period with respect to Court approval having expired.

(e) **Landlord.** HOOPP Realty Inc.

(f) **NOI Date.** The date on which the Debtor filed a Notice of Intention to Make a Proposal in contemplation of this Proposal with the Official Receiver being April 1, 2023.

(g) **Ordinary Creditor.** An Unsecured Creditor that is not a Preferred Creditor.

(h) **Preferred Creditor.** An Unsecured Creditor in respect of any Claim that would be payable in priority to other Unsecured Creditors pursuant to the provisions of s.136 of the BIA.

(i) **Proposal.** This Proposal, as it may be amended from time to time.

(j) **Proposal Date.** The date of the initial filing of the Proposal with the Official Receiver.

(k) **Proven Claim.** Any Claim which is the subject of a proof of claim that has been filed with the Trustee and admitted by the Trustee in accordance with the BIA.

(l) **Secured Creditor.** A creditor holding security against the property of the Debtor in respect of their Claim as "Secured Creditor" is defined in the BIA.

(m) **Trustee.** Albert Gelman Inc., as Licensed Insolvency Trustee to the Proposal of the Debtor.

(n) **Trustee's Fees and Disbursements.** The fees and disbursements of the Trustee incidental to the proceedings arising out of the Proposal including: (i) The Trustee's fees which shall be based on the amount of time spent in respect of the Proposal including applicable HST thereon; and (ii) all reasonable expenses and disbursements incurred by the Trustee including, without limitation, any legal fees; plus any applicable taxes on those expenses and disbursements. For the purposes of calculating its fees, the Trustee will track the time spent by its staff in respect of and incidental to the Proposal and shall bill that time on an hourly-rate basis at its prevailing rates. The Trustee's hourly billing rates for its professional and administrative staff are subject to change without notice to the Debtor.

Initial DS

(o) **Unsecured Creditor.** A creditor having a Claim against the Debtor other than a Secured Creditor. An Unsecured Creditor includes both an Ordinary Creditor and Preferred Creditor, and includes a Secured Creditor in respect of any Claim or portion of their Claim that is not secured (if any).

2. **DEBTS OWED TO THE CROWN**

(a) Proven Claims of His Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of provincial legislation that were outstanding on the NOI Date (the "**Deemed Trust Claim**") shall be paid in full within twenty-four (24) months of Final Approval of this Proposal.

(b) The CRA filed a claim with the Trustee on July 21, 2023 confirming that the Deemed Trust Claim is $1,631,000.07.

(c) The Debtor shall remit directly to the CRA the Deemed Trust Claim amount in equal consecutive monthly payments of $67,958.33 each commencing in the month following Final Approval until the Deemed Trust Claim is paid in full. The Debtor shall provide the CRA with twenty-four (24) post-dated monthly cheques which shall be dated the last day of each respective month following Final Approval. Twenty-three (23) of the post-dated cheques will be in the amount of $67,958.33 each. The final post-dated cheque for the twenty-fourth month shall be in the amount of $67,958.48. The Trustee will not be responsible to monitor payment of this provision of the Proposal.

(d) As consideration for the CRA agreeing to the payment terms of this section of the Proposal, Alan Chimko, the current sole director of the Debtor, will provide the CRA with a joint and several guarantee up to the maximum amount of $1 million for the Deemed Trust Claim, which guarantee will be secured by collateral mortgage against his residential property. This guarantee and collateral mortgage shall be provided to CRA and RBC prior to the return of any motion to approve this Proposal and on the Proposal being approved by the Court, same shall be effective and the subject mortgage registered.

3. **SECURED CREDITORS**

(a) This Proposal is being made to the Royal Bank of Canada ("**RBC**") in respect of its secured Claim. RBC will value its security at CAD $2,390,403.50 and USD $304,313.02 (plus accruing interest) as of the NOI Date (the "**RBC Secured Claim**") and will be entitled to file a Claim as a Secured Creditor in the Debtor's Proposal.

(b) The RBC Secured Claim will be paid in full by way of reductions of the Debtor's RBC revolving operating facility on or before the last day of the twenty-fourth (24th) month following Final Approval, and continuing payments on outstanding leases.

Initial

(c) Interest shall continue to accrue to RBC on the RBC Secured Claim balance. During the Proposal, prior to the payment of the RBC Secured Claim, RBC shall be entitled to draw its monthly accrued interest payments directly from the Debtor's RBC bank account.

(d) By casting a vote with the Trustee in favour (or 'For') this Proposal, RBC agrees to cease any collection/enforcement actions against the Debtor and/or any current or former the Directors of the Debtor (the "**RBC Enforcement Waiver**"). If, prior to the Completion Date, the Debtor is in default of any of the provisions of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, the RBC Enforcement Waiver shall become null and void.

(e) As consideration for RBC providing the RBC Enforcement Waiver and agreeing to this Proposal, Alan Chimko, the current sole director of the Debtor, will provide RBC with the same joint and several guarantee granted to CRA as noted in paragraph 2(d) which guarantee will be secured by collateral mortgage against his residential property.

(e) Upon payment to RBC of the entirety of the RBC Secured Claim and evidence that all remittances and payments on accounts with CRA for post NOI filing HST (RT) and for employee deductions at source (RP) are current, RBC will forthwith discharge its security as against the Debtor.

(f) This Proposal is also being made to Vault Credit Corporation in respect of its secured Claim arising from the Loan Agreement #253259 between the Debtor and Vault Credit Corporation dated April 26, 2022. The value of the collateral held by Vault Credit Corporation in respect of that loan agreement shall be valued at $0.00 for purposes of this Proposal. Vault Credit Corporation will be entitled to file a Claim in respect of that loan agreement as an Unsecured Creditor in the Debtor's Proposal.

(g) Other than noted above, payment of the Claims of all other Secured Creditors shall be made in the usual manner or as may be agreed between the Debtor and the Secured Creditors. For greater certainty, the continued payments include the amounts owed to Vault Credit Corporation under Equipment Lease #229167 and Equipment Lease #227307.

4. PREFERRED CREDITORS[1]

(a) For the purposes of paragraph 7(b) of this Proposal, Proven Claims of Preferred Creditors, without interest, shall be paid in priority to all Ordinary Creditors in accordance with the order of priorities set out in section 136 of the BIA.

[1] There are no known Preferred Creditors as at the date of filing this Proposal.

Initial

(b) Any partial or interim payments made under this Proposal to multiple Preferred Creditors with the same level of priority under the BIA shall be paid on a *pro rata* and *pari passu* basis among those creditors.

(c) Claims of employees and former employees of amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(*d*) of the BIA as well as wages, salaries, commissions or compensation for services rendered after the NOI Date and before Final Approval of this Proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period shall be paid by the Debtor immediately after Final Approval of this Proposal.

5. **COMMERCIAL LANDLORD**

(a) On April 24, 2023, pursuant to section 65.2(1) of the BIA, the Debtor issued a notice to the Landlord disclaiming its commercial lease in respect of the 8 Prologis Blvd., Mississauga, Ontario, Suites 103 and 400 property effective May 31, 2023 (the "**Commercial Lease Disclaimer**"). As a result of the Commercial Lease Disclaimer the Landlord is an Unsecured Creditor of the Debtor and shall be entitled to file a Claim in this Proposal.

(b) The unsecured Claim of the Landlord is to be calculated pursuant to section 65.2(4)(b) of the BIA as follows:

The lesser of:

(i) The aggregate of

(A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and

(B) fifteen per cent of the rent for the remainder of the term of the lease after that year, and

(ii) three years' rent.

6. **DISCLAIMED AGREEMENTS**

(a) Prior to the filing of this Proposal the Debtor disclaimed several agreements pursuant to section 65.11(1) of the BIA, including agreements with Meridian OneCap Credit Corp., Catalyst Finance Partners Inc. and De Lage Landen Financial Services Canada Inc.

(b) These creditors shall be considered Unsecured Creditors and shall be entitled to file a Claim in this Proposal in accordance with section 65.11(8) of the BIA.

Initial

7. UNSECURED CREDITORS

(a) The Debtor shall pay to the Trustee the total sum of $250,000, to be paid in twelve (12) consecutive monthly payments of $20,833.33 each. The first monthly payment shall be due and payable on the last day of the month in the twenty-fifth (25th) month following Final Approval of this Proposal and the balance of the payments are due and payable on the last day of each consecutive month thereafter. The final monthly payment due and payable on the last day of the month in the thirty-sixth (36^{th}) month shall be in the amount of $20,833.37. Payments made to the Trustee pursuant to this Proposal are referred to herein as the "**Proposal Fund**".

(b) The Trustee shall distribute the Proposal Fund in the following order:

i. Payment of Proven Claims of Preferred Creditors, if any, in full; and

ii. Payment of Proven Claims to Ordinary Creditors on a *pro rata* and *pari passu* basis.

(c) Any payments made by or on behalf of the Debtor under this Proposal shall be applied to the scheduled payments in the order they come due unless otherwise specified by the Debtor. The Debtor shall have the right to prepay any or all of the balance due under the Proposal prior to the expiration of the scheduled payment terms without interest or penalty so long as any payments made pursuant to paragraph (a) of this section are made after both the Deemed Trust Claim and RBC Secured Claim are paid in full. Any prepayment shall not accelerate the due date of any other payment(s) still outstanding unless otherwise specified in this Proposal.

(d) In accordance with section 147 of the BIA, the Superintendent of Bankruptcy levy shall be deducted from all distributions to Unsecured Creditors except where the BIA does not require the levy.

(e) By casting a vote with the Trustee in favour (or 'For') this Proposal each Unsecured Creditor (including Preferred Creditors) agrees that their respective Claim does not fall within the definition of BIA section 178, debts not released by order of discharge.

8. CLASSIFICATION OF CREDITORS

(a) The creditors of the Debtor under this Proposal shall comprise two classes: 1) Proven Claims of Secured Creditors, and 2) Proven Claims of Preferred Creditors and of Unsecured Creditors.

Initial DS

9. PROPOSAL FILED BY RELATED COMPANY

(b) 1110615 Ontario Inc. ("**111Co.**") owns one hundred percent (100%) of the Class A Common Voting shares of the Debtor.[2] 111Co. filed a proposal under Part III, Division I of the BIA on September 14, 2023 (Estate no. 32-2929202) (the "**111Co. Proposal**")

(c) This Proposal is conditional upon acceptance of the 111Co. Proposal by its creditors and approval of the 111Co. Proposal by the Court. The Court shall not approve this Proposal unless and until and the creditors of 111Co. approve the 111Co. Proposal with any amendments thereto.

10. PROVISIONAL HST RETURN

(a) As part of the Proposal, the Debtor will prepare a provisional HST return showing a reasonable estimate of its HST debt for the period up to and including the NOI Date (the "**Provisional HST Return**").

(b) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of this Proposal, the CRA will include the HST debt calculated pursuant to the Provisional HST Return as part of their Claim in this Proposal.

11. CANADA REVENUE AGENCY WAIVER

(a) Upon both the acceptance of this Proposal by the CRA and Final Approval, the CRA agrees:

a. to waive its statutory right to pursue any past or present director(s) of the Debtor to collect any unpaid GST/HST or source deductions owing by the Debtor for the period up to and including the NOI Date (the "**CRA Debt**") (collectively, the "**Director Waiver**"). For further clarification, upon Final Approval of this Proposal, the CRA agrees that it will not pursue the director(s) of the Debtor for any debts owing by the Debtor to the CRA which relate to any period up to and including the NOI Date;

b. that any additional GST/HST and/or corporate income tax resulting from any assessment or reassessment by the CRA subsequent to the NOI Date for additional amounts owing by the Debtor and related to any period of time up to and including the NOI Date will form part of CRA's Claim in this Proposal; and

[2] There are two other shareholders: Adam Kurtz, who holds 100% of the Class C Common Voting shares, and Dmitry Puzhitsky, who holds 100% of the Class B Common Voting shares.

Initial

c. to waive any claim as against RBC in relation to the reduction of the Debtor's RBC revolving operating facility and the interest payments provided for under article 3 above.

(b) If, prior to the Completion Date, the Debtor is in default of any of the provisions of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, the Director Waiver referred to in paragraph 11. (a) above shall become null and void.

12. **WAIVER OF COLLECTION REMEDIES**

(a) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of this Proposal, or the Debtor defaults in a provision of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, CRA shall not take any action to assess any non-arm's length party pursuant to the provisions of either section 160 of the *Income Tax Act*, section 325 of the *Excise Tax Act*, or any other provisions of any other Act or statute, in relation to any portion of the corporate income tax, unpaid source deductions or GST/HST debt of the Debtor that is included in CRA's Claim.

13. **PROPOSAL DEFAULT FUND**

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Proposal Default Fund**") from the portion of the Proposal Fund that would otherwise be distributed to creditors. The purpose of the Proposal Default Fund will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel (the "**Application Fees**"), required to make an application to Court seeking the annulment of the Proposal (a "**Default Application**") in the event of default of the Proposal. The funds reserved in the Proposal Default Fund shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund (after payment of any Application Fees) shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements other than Application Fees may be paid out of the Proposal Default Fund if there are insufficient Proposal Funds outside of the Proposal Default Fund to cover any such fees and disbursements that may be outstanding.

(c) Where default has been made by the Debtor under any term of this Proposal, and the default has not been waived by the Inspectors (as defined below) or by the Unsecured Creditors, or cured by the Debtor:

i. Upon the resolution of the Inspectors, if any, or upon the resolution of the Unsecured Creditors, the Trustee shall make a Default Application

Initial

if the Proposal Default Fund is and remains fully funded as set out in paragraph (a) of this section; and

ii. If there is no resolution of the Inspectors (if any) or the Unsecured Creditors either in favour of or against the Trustee making a Default Application, the Trustee may, in its sole discretion, seek such a resolution; and, if no such resolution is made after being sought by the Trustee, or in the case of urgency where prejudice might in the Trustee's view occur in the time necessary to obtain such a resolution, the Trustee may, in its sole discretion, commence a Default Application.

(d) In the event that the Proposal Default Fund balance in the Trustee's trust account is not fully funded as set out in paragraph (a) of this section at the time of a default under this Proposal by the Debtor, the Trustee shall have the sole discretion as to whether to make a Default Application upon being requested to do so pursuant to the preceding paragraph.

(e) In the event the Default Application does not proceed or is not successful for any reason whatsoever (for example, due to the Debtor curing the default in the interim), any Application Fees incurred shall still be payable out of the Proposal Default Fund, and any balance of the Application Fees that may remain shall be payable as part of the Trustee's Fees and Disbursements out of the Proposal Fund in the normal course.

14. BANKRUPTCY RESERVE

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Bankruptcy Reserve**") from the portion of the Proposal Fund that would otherwise be distributed to creditors. The purpose of the Bankruptcy Reserve will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel, required to administer a bankruptcy of the Debtor in the event that this Proposal is annulled. The funds reserved in the Bankruptcy Reserve shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements in the Proposal may be paid out of the Bankruptcy Reserve if there are insufficient Proposal Funds outside of the Bankruptcy Reserve to cover any such fees and disbursements that may be outstanding.

15. COMPLIANCE CLAUSE

(a) Until the Completion Date, the Debtor will keep all filings, remittances and instalments to the CRA (if any) current. The Trustee shall not be responsible to

Initial

monitor this section of the Proposal and it shall be the obligation of the creditors (including the CRA) to advise the Trustee of any non-compliance with this section by the Debtor. The Trustee shall not be responsible to monitor any provision of this section of the Proposal and the Debtor shall be deemed to be in compliance with this section unless the Trustee is notified by an Unsecured Creditor that the Debtor is not in compliance with this section.

16. **TRUSTEE'S FEES AND DISBURSEMENTS**

(a) In addition to the Proposal Fund, the Debtor has agreed to fund the Trustee's Fees and Disbursements. The funds paid by the Debtor to fund the Trustee's Fees and Disbursements are in addition to the Proposal Fund. The Debtor shall fund the entirety of the Trustee's Fees and Disbursements before the Trustee issues a certificate of full performance in accordance with section 65.3 of the BIA.

17. **GENERAL PROVISIONS**

(a) The Trustee is acting solely in its capacity as Licensed Insolvency Trustee under this Proposal and not in its personal or corporate capacity. The Trustee shall have the powers granted to it by the Proposal, by the BIA, and by any order of the Court. The Trustee and its officer(s), director(s), employee(s) or agent(s) are not and shall not be responsible or liable for any obligations of the Debtor, and shall be exempt from all personal and corporate liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

(b) Sections 95 to 101 of the BIA (with the exception of section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business or financial affairs.

(c) All payments required to be paid by or on behalf of the Debtor under the terms of this Proposal shall be paid over to the Trustee unless otherwise stated herein. The Trustee shall make all payments out of the funds paid to it in accordance with the terms of this Proposal.

(d) At the meeting of creditors to consider this Proposal, the creditors may, by vote in accordance with the BIA, appoint up to five inspectors (the "**Inspectors**") who will have, in addition to any powers of inspectors under the BIA, the power to:

i. receive any notice of default in the performance of the Proposal and waive any such default;

ii. advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and,

Initial

iii. extend the time for any payment due under this Proposal.

(e) Upon the Completion Date, all present and past directors of the Debtor shall be released and discharged by the Unsecured Creditors from liability or obligation for any claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor) where the directors are by law liable in their capacity as directors of the Debtor pursuant to section 50(13) of the BIA and subject to the exceptions in section 50(14) of the BIA.

(f) Upon the Completion Date, the Debtor shall be released and discharged from any and all Claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor).

(g) All proper Claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date up to the date of approval of this Proposal by the Superior Court of Justice in Bankruptcy and Insolvency, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the Claims of all other Creditors.

(h) The following creditors have agreed not to file a proof of claim in this Proposal and will not participate in distributions to Unsecured Creditors under this Proposal:

- 2090985 Ontario Inc.
- Alan Chimko
- The Estate of Paul Chimko
- Dmitry Puzhitsky
- 111Co.

(i) Any notices or communications in respect of this Proposal shall be delivered to the Debtor at the address set out below:

Prosysco Ltd.
c/o Reconstruct LLP
200 Bay Street, Suite 2305 Box 120
Toronto, ON M5J 2J3
Attention: Brendan Bissell
E-mail: bbissell@reconllp.com

(j) For purposes of this Proposal, Claims denominated in a currency other than Canadian Dollars will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

Initial

Dated at Mississauga, Ontario this 14th day of September 2023

Prosysco Ltd.

DocuSigned by:

Per: ____________________

DFE2E48AE5C1422...

Name: Terrence Scott

I have the authority to bind the corporation.

Initial ____

District of Ontario
Division No. 09 - Mississauga
Estate No. 32-2929201
Court No. 32-2929201

In the matter of the proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

TRUSTEE'S REPORT ON PROPOSAL
(Office of the Superintendent of Bankruptcy Directive No. 24)

The purpose of this report is to provide the creditors of Prosysco Ltd. ("**Prosysco**" or the "**Company**") with sufficient information in order for them to properly consider the impact that the Proposal prepared pursuant to Part III Division I of the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**") will have on them versus the impact on them in the event that the Company is deemed or otherwise becomes bankrupt. The Proposal was filed with the Official Receiver on September 14, 2023.

Albert Gelman Inc. (the "**Trustee**") has consented to act as Trustee in the Proposal.

Section A – Introduction and Background

The Company is a privately held corporation which was incorporated pursuant to the laws of the province of Ontario on March 4, 1988. Prosysco is a supplier of highly specialized engineered process solutions and is certified and equipped to manufacture process equipment, process vessels and high purity piping systems in-house. Its clients principally include companies in the biotech, pharmaceutical, food, beverage and dairy industries. Prosysco employs approximately 60 employees. Prosysco operates from its leased premises located at 360 Ambassador Drive, Mississauga, Ontario.

Pursuant to a corporation profile report obtained by the Trustee with an effective date of September 12, 2023, Alan Chimko is the sole director of Prosysco. Terrence Scott, President of Prosysco, is the designated officer of Prosysco for the administration of the Proposal. Prosysco filed a notice of intention to make a proposal ("**NOI**") pursuant to the BIA on April 1, 2023 (the "**NOI Date**").

1110615 Ontario Ltd. ("**111Co.**") is the majority shareholder of Prosysco. The 111Co. also filed a NOI on the NOI Date and subsequently filed a Proposal on September 14, 2023.

Prior to the NOI Date, Prosysco's senior secured creditor, the Royal Bank of Canada ("**RBC**"), sent its Notice of Intention to Enforce Security ("**NITES**") pursuant to section 244 of the BIA to each of Prosysco and 111Co. As of the NOI Date Prosysco was indebted to RBC in the amount of approximately CDN$2.4 million and US$305,000 (defined below as the RBC Debt). Further details regarding the RBC Debt are set out below.

As of the NOI date Prosysco was indebted to the CRA in respect of unremitted payroll source deduction in the amount of approximately $1,631,000 ("**CRA Deemed Trust**").

As a result of both the CRA Deemed Trust and the enforcement activities taken by RBC, Prosysco filed the NOI.

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After the NOI Date the Court granted each of Prosysco and 111Co. several extensions of time to make a proposal further extending the NOI period. The motion records along with the Court Orders and the Trustee's reports are being maintained on the Trustee's Case website: https://www.albertgelman.com/corporate-solutions/other-engagements/.

On September 14, 2023, Prosysco filed a Proposal to its creditors in accordance with Part III Division I of the BIA with the Trustee (the "**Proposal**").

Approval of Prosysco's Proposal is contingent upon the creditors of 111Co. and the Court approving 111Co's proposal.

If the Proposal is accepted at the Creditor Meeting (defined below) by the requisite majorities of secured and unsecured creditors, respectively, the Trustee will then make an application to the Court for approval of the Proposal. Upon the Court approving the Proposal[1], the Proposal will be binding upon (a) all unsecured creditors with provable claims; and, (b) all secured creditors to whom the Proposal was made. If the Proposal is rejected by either the Company's unsecured or secured creditors, or is not approved by the Court, the Company will be deemed to have made an assignment in bankruptcy.

In order for creditors to fairly consider the Proposal, it is necessary to understand the Company's financial situation and the events which have led up to the filing of the Proposal.

Section B – Summary of Proposal

The payment terms of the Proposal require Prosysco to make the following payments:

a) equal monthly instalments of $67,958.33 each, for each of the first 23 months following Court approval, plus one payment of $67,958.48 in the 24th month following Court approval. These payments to CRA are in respect of the CRA Deemed Trust and will be made directly to the CRA;
b) payment in full of the RBC Debt by way of reductions of the Company's RBC revolving operating facility within 24 months of Court approval of the Proposal; and,
c) equal monthly instalments of $20,833.33 each for a period of 12 months to the Trustee commencing in the 25th month following Court approval of the Proposal (the "**Proposal Fund**").

The Proposal Fund will be distributed by the Trustee to the Company's unsecured creditors. A summary of the Company's unsecured creditors is set out in the Company's statement of Affairs sworn on September 14, 2023 ("**SOA**").

Related party creditors have agreed not to file claims in the Proposal and will not share in a distribution of the Proposal Fund.

Section C – Financial Position and Causes of Difficulties

Financial Position

The Company's management has prepared a cash flow projection for the period from September 1, 2023 through August 31, 2025. Based on this cash flow projection, including its assumptions, Prosysco will have sufficient working capital to fund its ongoing operations and make the monthly

[1]The *Bankruptcy and Insolvency Act* sets out all of the items the Court must consider in its decision to either approve or refuse a proposal.

ALBERT GELMAN

installment payments in respect of the Deemed Trust Claim and Proposal Fund. In order to repay the RBC Debt within 24 month of Court approval of the Proposal, the Company will utilize a combination of accumulated working capital and equity or debt financing. Prosysco will be continuing to operate in the normal course during these restructuring proceedings.

Section D – Interim Receiver

Not applicable.

Section E – Identification and Evaluation of Assets

In considering Prosysco's Proposal, it is important to understand the value of the Company's assets in the event of a bankruptcy. Set out below is a summary of the estimated value of Prosysco's assets as set out in the Company's SOA. A copy of the SOA is included with this report.

Asset Category	SOA Value ($)
Accounts Receivable	1,599,852
Cash	311,400
Vehicles	1
Machinery and Equipment	294,875
Inventories	212,634
Less: CRA Deemed Trust Claim	(1,631,000)
Less: RBC Secured Claim	(2,807,312)
Net Realizable Value for Unsecured Creditors (nil if negative)	nil

The Company's material assets include its accounts receivable, cash on hand, inventory, vehicles and machinery and equipment ("**Operating Assets**"). As set out in the schedule above, the Operating Assets are fully encumbered; firstly in favour of CRA in respect of the Deemed Trust Claim and, secondly in favour of RBC in respect of the RBC Security (defined below). In a bankruptcy scenario it is anticipated that RBC will suffer a shortfall on its secured debt and there will be no distribution to other secured creditors or unsecured creditors from the realizations of the Operating Assets. Details regarding each of the specific Operating Assets are set out below.

Accounts Receivable

The net book value of the Company's accounts receivable as of the SOA date is set out in the schedule above.

Cash on Hand

As of August 31, 2023 the balance in the Company's RBC accounts were CDN307,311.21 and US$2,984.36 (converted to $CDN using an exchange rate of 1.37).

Vehicles

The Company leases or finances several vehicles. Management has advised the Trustee that, after accounting for disposition costs and potential damages suffered by each lessors/financiers, there is no equity in any of the vehicles.

Machinery and Equipment

The Trustee has obtained an appraisal of the Company's machinery and equipment ("**M&E**") which was prepared by Canam-Appraiz Inc. with an effective date of June 6, 2023 (the "**Appraisal**"). According to the Appraisal the forced liquidation value of the Company's M&E as of the Appraisal date was $421,250. The Company has estimated that the costs and fees (including commission and selling costs) associated with a liquidation of the M&E would be approximately 30% of the force liquidation value. The net realizable value was presented on the SOA.

Inventory

The book value of the Company's inventory as at August 31, 2023 was $708,780. Management has estimated that the realizable value in a forced liquation scenario would be approximately 30% of book value (being $212,634). The estimated net realizable value was presented on the SOA.

Section F – Conduct of Debtor

Bankruptcy Offences

The Trustee in not aware of any offense committed by the Company pursuant to the BIA.

Reviewable Transactions

The Trustee has not yet reviewed the Company's bank account transactions for the one year period prior to the NOI Date. The Trustee will discuss its review of the Company's bank account transactions with the creditors at the Creditor Meeting.

Section G – Creditors' Claims

A summary of the Company's creditors is set out below.

Creditor Category	No. of Creditors	Value ($)
CRA - Deemed Trust	1	1,631,000
Secured - RBC	1	2,807,312
Secured - Vehicle / Equipment	6	n/a
Preferred	0	-
Unsecured - Arm's length	104	3,273,920
Unsecured - Non-arm's length	5	*Not presented on SOA*

Trust Claims (deemed or otherwise)

Pursuant to section 67(3) of the BIA, amounts owing to the CRA in respect of unpaid employee source deduction are considered to represent a deemed trust claim in favour of the CRA which

ALBERT GELMAN

ranks in priority to the claims of all other creditors, with certain limited exceptions (defined above as the Deemed Trust Claim). Pursuant to section 69.1(1) of the BIA the Deemed Trust Claim must be paid within 6 months of court approval of the Proposal unless the CRA consents to a longer period of time. The Company is requesting that CRA consent to allow the Company to pay the Deemed Trust Claim within 24 months of Court approval by way of installment payments as set out earlier in this report.

CRA filed a proof of claim with the Trustee confirming that the Deemed Trust Claim amount is $1,631,000.07.

Secured Creditors

Prosyso's Proposal is being made to both RBC and Vault Credit Corporation ("**Vault**") as further described below. Prosysco's proposal is not currently being made to any other of its secured creditors however, it is considering the termination of certain vehicle leases during the proposal proceedings.

As part of the process to determine who the secured creditors of Prosysco are, the Trustee conducted a search pursuant to the *Personal Property Security Act* (Ontario) on March 29, 2023 (File Currency: March 28, 2023). The search results are set out below.

Registration Date	Creditor	Collateral Classification
May 30, 2013	Royal Bank of Canada	Inventory, Equipment, Accounts, Other, Motor Vehicle
November 23, 2017	Royal Bank of Canada	Inventory, Equipment, Accounts, Other
September 19, 2018	Echelon Insurance	Other
March 5, 2019	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
March 5, 2019	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
April 2, 2019	Royal Bank of Canada	Equipment, Other
October 22, 2019	De Lage Landen Financial Services Canada Inc.	Equipment, Accounts, Other, Motor Vehicle
November 19, 2019	Royal Bank of Canada	Equipment, Other
October 30, 2020	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
November 2, 2020	Ford Credit Canada Company	Equipment, Other, Motor Vehicle
November 19, 2020	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
December 7, 2020	Toyota Credit Canada Inc.	Consumer Goods, Equipment, Other, Motor Vehicle
February 4, 2021	The Bank of Nova Scotia	Equipment, Other, Motor Vehicle
March 16, 2021	Honda Canada Finance Inc.	Consumer Goods, Equipment, Motor Vehicle
May 25, 2021	Royal Bank of Canada	Equipment, Other
June 15, 2021	Toyota Credit Canada Inc.	Consumer Goods, Equipment, Other, Motor Vehicle
June 16, 2021	Royal Bank of Canada	Equipment, Other, Motor Vehicle
June 29, 2021	Vault Credit Corporation	Equipment, Other
July 5, 2021	BMW Canada Inc.	Consumer Goods, Equipment, Other, Motor Vehicle
July 22, 2021	Vault Credit Corporation	Equipment, Other
September 3, 2021	Vault Credit Corporation	Equipment, Other
October 1, 2021	Meridian Onecap Credit Corp.	Equipment, Other
October 13, 2021	Vault Credit Corporation	Inventory, Equipment, Accounts, Other
October 27, 2021	Meridian Onecap Credit Corp.	Equipment, Other
October 27, 2021	Meridian Onecap Credit Corp.	Equipment, Other
January 1, 2022	CWB National Leasing Inc.	Equipment
June 20, 2022	Bercon Rentals Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle
July 8, 2022	Royal Bank of Canada	Equipment, Other
October 13, 2022	Bercon Rentals Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle
October 27, 2022	Her Majesty in right of Ontario represented by the Minister of Finance	Inventory, Equipment, Accounts, Other, Motor Vehicle
November 1, 2022	ATCO Structures & Logistics Ltd.	Other

Royal Bank of Canada

RBC is Prosysco's senior secured creditor/lender. RBC provided Prosysco with several term loans, both a CDN dollar and US dollar revolving line of credit, and credit card facilities. The Trustee has been advised by RBC that the amount owing to RBC is approximately CDN$2.4 million and US$305,000 as of September 13, 2023 plus accrued and accruing interest (the "**RBC Debt**").

Prosysco provided a general security agreement in favour of RBC as security for the RBC Debt. 111Co. provided a general security agreement securing its limited guarantee of the RBC Debt in favour of RBC. Together the Prosysco security and the 111Co. security are together referred to as the "**RBC Security**."

The Trustee has engaged Goldman Sloan Nash and Haber LLP ("**GSNH**") to provide independent legal opinions in respect of the validity and enforceability of the RBC Security. GSNH has provided a favourable opinion on the RBC Security. RBC has the earliest registered financing statements against both Prosysco and 111Co.

Pursuant to the Proposal RBC shall be entitled to file a secured claim for the full amount of the RBC Debt.

Vehicle and Equipment Loans and Leases

The PPSA registrations of De Lage Landen Financial Services Canada Inc., Ford Credit Canada Company, Toyota Credit Canada Inc., The Bank of Nova Scotia, Honda Canada Finance Inc., BMW Canada Inc., CWB National Leasing Inc., Bercon Rentals Inc. and ATCO Structures & Logistics Ltd. relate to specific vehicles and/or equipment either purchased or leased by/to Prosysco. Prosysco has been in discussions with each of these secured creditors to clarify the terms of their ongoing financial relationship.

As was noted above, Prosysco's Proposal is being made to RBC and Vault only and not to any other of its secured creditors.

Disclaimed Agreement

Prior to the filing of the Proposal Prosysco disclaimed agreements with Meridian Onecap Credit Corp., Catalyst Finance Partners Inc. and De Lage Landen Financial Services Canada Inc. Any/all property in respect of these agreements was returned to and/or abandoned by the parties to the disclaimed agreement. As set out in the Proposal these creditors shall be entitled to file an unsecured claim in the Proposal.

Echelon Insurance

The Trustee has been advised by management that Echelon Insurance provides bonding to the Company and that the PPSA registration by Echelon Insurance is in respect of same. As of the date of the SOA there is no outstanding amount owing to Echelon Insurance.

Vault Credit Corporation

The Company's Proposal is being made to Vault in respect of its secured claim arising from the loan agreement no. 235259 date April 26, 2022 as between the Company and Vault (the "**Vault Loan Agreement**"). Vault shall value its security in respect of the Vault Loan Agreement at $0 and will be entitled to file a claim as an unsecured creditor in the Proposal in respect of the Vault Loan Agreement. The Company shall continue to make payments to Vault under equipment lease no. 229167 and equipment lease no. 227307 in the ordinary course.

Preferred Creditors

According to the SOA, the Company does not have any preferred creditors.

Unsecured Creditors

The Company has listed arm's length unsecured creditors on its SOA as having total outstanding claims of $3,273,920.

The Company has five non-arm's length creditors as of the date of the Proposal. These five non-arm's length creditors, being 2090985 Ontario Inc., The Estate of Paul Chimko, Alan Chimko, Dmitry Puzhitsky and 1110615 Ontario Ltd., have each provided an acknowledgement to the

ALBERT GELMAN

Trustee that they will not file claims in Prosysco's Proposal and will not participate in any distribution to unsecured creditors. Management has advised the Trustee that the amounts owing to each of these non-arm's length creditors is as set out below.

Creditor	Value ($)
Dmitry Puzhitsky	68,939
The Estate of Paul Chimko	46,758
Al Chimko	547,084
2090985 Ontario Inc	575,719
1110615 Ontario Ltd.	TBD

Proofs of Claim Received by the Trustee

The Trustee will review the status of submitted claims at the Creditor Meeting.

Section H – Previous Business Dealings with the Company

Prior to Prosysco filing its NOI on April 1, 2023, the Trustee had not previously provided services to the Prosysco.

Section I – Informal Meetings with Major Creditors

During the Company's restructuring proceedings the Trustee has been in communications with several of the Company's secured and unsecured creditors regarding, among other things, the status of the NOI and the timing of the filing of the Proposal.

Section J – Remuneration of Trustee

Payment of the fees and expenses of the Trustee, including the legal fees and disbursements of the Trustee, will be paid directly by Prosysco in accordance with the terms of the Proposal.

Section K – Other Information

In preparing this Report, the Trustee has relied upon unaudited financial information prepared by the Company's representatives, the books and records of the Company and discussions with representatives of the Company, including its management, President and legal counsel. The Trustee has not performed an audit or other verification of such information. Future oriented financial information relied upon in this Report is based on the Companies' representatives' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.

Unless otherwise noted, all currency references in this report are to Canadian dollars.

Capitalized terms not otherwise defined in this report have the meanings ascribed to them in the Proposal.

It is expressly noted and should be clearly understood that Albert Gelman Inc., in its capacity as Trustee under this Proposal, assumes no personal liability for any claims against the Company before or after the filing of the Proposal.

As a result of a material change in the actual cash flows of the Company (as compared to the forecasted amounts) the Trustee issued a Report of the Trustee on Material Adverse Change in Projected Cash Flow or Financial Circumstances dated September 2, 2023 pursuant to section 50.4(7)(b) of the BIA. A copy of this report was sent to each of the Company's creditors on September 4, 2023. If you would like a copy of this report, please contact the Trustee directly.

Section L – Statement of Estimated Realization

Distribution to Creditors – Bankruptcy

In the event that the Proposal is not accepted by the Company's creditors or the Court and the Company is deemed to have made an assignment in bankruptcy there would likely be no distribution to unsecured creditors. Both the CRA Deemed Trust and RBC Debt would need to be paid in full before any distribution to other secured creditors and unsecured creditors in a bankruptcy scenario, which is unlikely.

Further, a bankruptcy of Prosysco would result in the Company ceasing operations and would be detrimental to many of Prosysco's stakeholders including, among others: (a) its current employees who would likely be terminated; (b) its current suppliers who would lose Prosysco as a customer; and, (c) its current customers who may be forced to find an alternative suppliers and incur, potently, significant damages if Prosysco is not able to complete it existing contracts.

Distribution to Creditors – Proposal

Royal Bank of Canada

In the event that RBC, in its capacity as a secured creditor, accepts the Proposal, the RBC Debt will be paid directly by the Company within 24 months of Court approval in the manner set out earlier in this report.

Unsecured Creditors

In the event that the Proposal is accepted by the Company's unsecured creditors and the Court, the unsecured creditors will receive a distribution of the Proposal Fund, net of the OSB levy, on a pro-rata basis.

Section M - Recommendation

For the reasons set out above, the Trustee is of the view that the acceptance of the Proposal is in the best interests of all of the Company's stakeholders and the Trustee recommends acceptance of the Proposal by both RBC, in its capacity as a secured creditor, and the Company's unsecured creditors.

Section N – Meeting of Creditors and Procedures for Voting

A meeting of the Company's creditors will be held on October 4, 2023 at 3:00 p.m. (Toronto time) (the "**Creditor Meeting**"). Creditors wishing to attend the meeting may join the meeting by either video or telephone as set out below.

Microsoft Teams
Videoconference - Meeting ID: 273 417 190 339; Passcode: Meq22F
Telephone – No: 437-703-4516 PIN: 868787987#

To be eligible to vote, creditors must file their Proof of Claim with the Trustee prior to the commencement of the Meeting of Creditors.

Those creditors who do not intend to have a personal representative at the Creditor Meeting should also complete and submit a Voting Letter which is also enclosed, indicating their vote either for or against the Proposal.

The Trustee prefers that Proofs of Claim, Proxies and Voting Letters be submitted in advance of the meeting by fax at 416-504-1655 or by email at proofofclaim@albertgelman.com.

Documents sent via mail or courier must be received by the Trustee prior to the commencement of the Creditors Meeting to be considered for voting purposes.

Corporate creditors who will be sending a representative to vote at the meeting must complete a proxy in favour of the representative in attendance, in order to evidence that this person has the authority to vote on behalf of the corporation.

DATED AT Toronto, Ontario this 20th day of September 2023

ALBERT GELMAN INC., solely in its capacity as Trustee in *re* the Proposal of Prosysco Ltd. and not in its personal or any other capacity
Per:

Digitally signed by Bryan Gelman

Bryan A. Gelman, *CIRP, LIT*

District of:	Ontario	[X] Original	[ ] Amended
Division No.	09 - Mississauga		
Court No.	32-2929201		
Estate No.	32-2929201		

131

Form 78

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 1st day of April 2023. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

1. Unsecured creditors as per list "A"	3,273,919.98
Balance of secured claims as per list "B"	91,214.04
Total unsecured creditors	3,365,134.02
2. Secured creditors as per list "B"	2,418,761.59
3. Preferred creditors as per list "C"	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	1,631,000.07
Total liabilities	7,414,895.68
Surplus	NIL

ASSETS
(as stated and estimated by the officer)

1. Inventory		0.00
2. Trade fixtures, etc.		0.00
3. Accounts receivable and other receivables, as per list "E"		
Good	0.00	
Doubtful	0.00	
Bad	0.00	
Estimated to produce		0.00
4. Bills of exchange, promissory note, etc., as per list "F"		0.00
5. Deposits in financial institutions		0.00
6. Cash		0.00
7. Livestock		0.00
8. Machinery, equipment and plant		0.00
9. Real property or immovable as per list "G"		0.00
10. Furniture		0.00
11. RRSPs, RRIFs, life insurance, etc.		0.00
12. Securities (shares, bonds, debentures, etc.)		0.00
13. Interests under wills		0.00
14. Vehicles		0.00
15. Other property, as per list "H"		2,418,761.59
If debtor is a corporation, add:		
Amount of subscribed capital	0.00	
Amount paid on capital	0.00	
Balance subscribed and unpaid		0.00
Estimated to produce		0.00
Total assets		2,418,761.59
Deficiency		4,996,134.09

I, Terrence Scott, of the City of Mississauga in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 14th day of September 2023 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED) remotely by Terrence Scott stated as being located in the City of Mississauga in the Province of Ontario before me at the City of Toronto in the Province of Ontario, on this 14th day of September 2023 in accordance with provincial Regulation on Administering Oath or Declaration Remotely.

Tom McElroy, Commissioner of Oaths
For the Province of Ontario
Expires February 14, 2025

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "A"
Unsecured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	2289722 Ontario Inc. Attn: Mike Putz	20 Wagar Road Cameron ON K0M 1G0	300,000.00	0.00	300,000.00
2	Abell Pest Control Inc	246 Attwell Drive Etobicoke ON M9W 5B4	523.20	0.00	523.20
3	ACI Central Inc	PO Box 53 Charlottetown PE C1A 7K1	1,094.14	0.00	1,094.14
4	Acklands Grainger Inc.	P.O. Box 2970 Winnipeg MB R3C 4B5	2,176.97	0.00	2,176.97
5	Advanced Motion & Controls LTD	26 Saunders Road Barrie ON L4N 9A8	5,308.15	0.00	5,308.15
6	Air Liquide	1700 Steeles Ave. E Bramalea ON L6T 1A6	3,727.28	0.00	3,727.28
7	Aird & Berlis LLP Attn: Judy L. Zammit	Brookfield Place 181 Bay Street Suite 1800 Box 754 Toronto ON M5J 2T9	7,083.83	0.00	7,083.83
8	Alantra Leasing	P.O. Box 4375, 98 Cougle Road Sussex NB E4E 5L5	4,156.10	0.00	4,156.10
9	Alfa Laval Inc. Attn: Zahra Akbari	c/o TH1301, P.O. Box 4290, Postal Station A Toronto ON M5W 0E1	81,487.01	0.00	81,487.01
10	All Custom Gasket & Materials Ltd.	355 Watline Avenue Mississauga ON L4Z 1P3	240.13	0.00	240.13
11	Alpha Controls & Instrumentation	361 Steelcase Rd W, Suite 6 Markham ON L3R 3V8	3,227.96	0.00	3,227.96
12	Ampco Pumps Co., Inc.	1155 Boul Rene-Levesque West, @ 2810 Montreal QC H3B 2L2	44,214.63	0.00	44,214.63
13	Anderson Instrument Company, Inc.	PO Box 96060 Chicago IL 60693-6060	12,884.25	0.00	12,884.25
14	ATCO Structures & Logistics Ltd.	65 Reive Blvd, PO Box 1089 Cookstown ON L0L1L0	1,118.70	0.00	1,118.70
15	AVCO (Alloy Valves and Control)	3210 S. Susan Steet Santa Ana CA 92704	70,958.97	0.00	70,958.97
16	Aztec Electrical Supply Inc.	25 North Rivermede Rd. #4-10 Concord ON L4K 5V4	16,959.74	0.00	16,959.74
17	BELTSERVICE CANADA COMPANY	C/O T10205CP.O. BOX 4918, STN A Toronto ON M5W 0C9	563.60	0.00	563.60
18	BERCON RENTALS	503 Carling view drive Etobicoke ON M8W5H2	6,611.63	0.00	6,611.63
19	Blickle Canada Inc.	265 Avenue Liberte Candiac QC J5R 3X8	8,013.26	0.00	8,013.26
20	BMW Canada Inc. Attn: Financial Services Department	50 Ultimate Drive Richmond Hill ON L4S 0C8	0.00	1.00	1.00
21	Brand Blvd	261 Martindale Road, Unit 5 St Catherines ON L2W 1A1	2,432.77	0.00	2,432.77
22	Burkert Fluid Control Systems	11425 Mt. Holly-Huntersville Road Huntersville NC 28078	444,427.65	0.00	444,427.65

14-Sep-2023

Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "A"
Unsecured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
23	BURT PROCESS EQUIPMENT	100 Overlook Drive Hamden CT 16514	2,842.23	0.00	2,842.23
24	Business Systems Inc.	5800 Coopers Ave. Mississauga ON L5T 2J3	1,295.69	0.00	1,295.69
25	C.F.F. Stainless Steels	1840 Burlington Street, East Hamilton ON L8H 3L4	91,080.22	0.00	91,080.22
26	Canaccede International Acquisitions Ltd. Attn: Janet Teare	PO Box 9 Stn B London ON N6A 4Y8	0.00	1.00	1.00
27	Cedar Springs	45 Villarboit Cres, # 2 Concord ON L4K 4R2	465.40	0.00	465.40
28	Chandler Industrial Supplies	1051 Brevik Place Mississauga ON L4W 3R7	10,193.23	0.00	10,193.23
29	Cintas	23 Torlake Crescent Toronto ON M8Z 1B5	7,747.77	0.00	7,747.77
30	Colson Group Canada, Inc.	c/o Bank of America LBX 917150PO Box 4090 Stn A Toronto ON M5W 0E9	411.29	0.00	411.29
31	COMMERCIAL AIR COMPRESSOR LTD.	95 Konrad Crescent Markham ON L3R 8T8	11,733.59	0.00	11,733.59
32	Concept Storage Solutions	1470 Creditstone Rd Vaughan ON L4K5W2	1,331.05	0.00	1,331.05
33	Contro Valve Equipment inc.	3375 North Service Road Units B4-B6 Burlington ON L7N 3G2	11,276.27	0.00	11,276.27
34	Core Industrial Gases Inc	395 Frankcom Street Ajax ON L1S 1R4	8,751.89	0.00	8,751.89
35	CRA - Nova Scotia Tax Services Office - Halifax	PO Box 638 Halifax NS B3J 2T5	255.00	0.00	255.00
36	Crown Industrial Roofing	227 Queens Plate Drive, Unit 3 Toronto, ON M9W 6Z7	9,525.90	0.00	9,525.90
37	CSI Equipment & Service	2700 N Partnership Blvd Springfield MO 65803	146,499.44	0.00	146,499.44
38	CWB National Leasing Inc./ (formerly National Leasing Group Inc) Attn: Bankruptcy Designate	1525 Buffalo Pl Winnipeg MB R3T 1L9	1.00	0.00	1.00
39	Dafco Filtration Group	1300 Aerowood Drive Mississauga ON L4W 1B7	1,509.59	0.00	1,509.59
40	Dampney Company, Inc.	85 Paris Street Everett MA 12149	1,563.98	0.00	1,563.98
41	De Lage Landen Financial Services Canada Inc. Printer & Forklift leases	3450 Superior Court Unit 1 Oakville ON L6L 0C4	1.00	0.00	1.00
42	De Lage Landen Financial Services 001-0285270-000; 001-0257459-000	5046 Mainway Unit 1 Burlington ON L7L 5Z1	15,200.85	0.00	15,200.85
43	Donaldson Company, Inc.	PO Box 207356 Dallas TX 75320-7356	19,193.95	0.00	19,193.95

14-Sep-2023
Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 -- Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "A"
Unsecured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
44	Echelon General Insurance Company	300 - 2680 Matheson Blvd E Mississauga ON L4W 0A5	1.00	0.00	1.00
45	Endress + Hauser Canada Ltd. Attn: Suzie Banwait	1244 International Blvd. Burlington ON L7L 0K2	1.00	0.00	1.00
46	Eri-son Instrumentation Services Corp.	32 Dawnridge Trail Brampton ON L6Z 2A1	565.00	0.00	565.00
47	EVOQUA Water Technologies Ltd.	P.O. Box 15738 STN A Toronto ON M5W 1C1	1.00	0.00	1.00
48	Fabco Plastics Wholesale	2175-A Teston Rd MAPLE ON L6A1T3	20,713.56	0.00	20,713.56
49	Fastenal Canada - Kitchener	117 - 860 Trillium Drive Kitchener ON N2R 1K4	655.85	0.00	655.85
50	Fastening House Inc.	160 Bass Pro Mills Dr. Vaughan ON L4K 0A7	3,155.30	0.00	3,155.30
51	Federal Express Canada Ltd	P.O. Box 4626 Toronto Station A Toronto ON M5W 5B4	306.61	0.00	306.61
52	Ford Credit Canada Limited Attn: Bankruptcy Department	Box 1800 RPO Lakeshore West Oakville ON L6K 0J8	0.00	1.00	1.00
53	GENERATIONS CLEANING INC.	1129 Wentworth St-B3 OSHAWA ON L1J 8P7	4,208.07	0.00	4,208.07
54	GFL Environmental Inc.	39 Fenmar Drive North York ON M9L 1M1	1,411.68	0.00	1,411.68
55	Gould Stainless Products Ltd.	1141, 6027 – 79 Avenue SE Calgary AB T2C 5P1	656.36	0.00	656.36
56	GTI Roll Transportation Services Inc.	5020 Rue Fairway Lachine QC H8T 1B8	17,991.55	0.00	17,991.55
57	Hansler Smith Limited	P.O. BOX 310 Brockville ON K6V 5V5	2,006.96	0.00	2,006.96
58	Honda Canada Finance Inc c/o BankruptcyHighway.com Attn: Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2	0.00	1.00	1.00
59	HOOPP Realty Inc. Attn: Carol Liu 30687-t0024702-Prosysco Ltd	5750 Explorer Drive, Suite 402 Mississauga ON L4W 0A9	804,000.00	0.00	804,000.00
60	Impro	5265 General Road Mississauga ON L4W 2K4	3,145.85	0.00	3,145.85
61	Inovinox USA, LLC	7875 SW 104 Street - Suite 103 Miami FL 33156	7,147.54	0.00	7,147.54
62	Intempco Controls Ltd	880 Selkirk Avenue Pointe-Claire QC H9R 3S3	463.30	0.00	463.30
63	ITM Instruments Inc.	16975 Leslie Street Newmarket ON L3Y 9A1	464.76	0.00	464.76
64	John Brooks Company Limited	2625 Meadowpine blvd. Mississauga ON L5N 7K5	59,274.29	0.00	59,274.29
65	KINEQUIP INC.	333 Wyecroft Rd. Unit 8 Oakville ON L6K 2H2	9,257.38	0.00	9,257.38

14-Sep-2023
Date

T W Scott

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "A"
Unsecured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
66	KJV Courier Service	3858 Chesswood Drive Downsview ON M3J 2W6	1.00	0.00	1.00
67	Line Process Controls Inc.	50 Venture Drive, Unit 8 Scarborough ON M1B 3L6	8,233.52	0.00	8,233.52
68	Livingston International	P.O. Box 5640Terminal A Toronto ON M5W 1P1	19,832.86	0.00	19,832.86
69	LZR FIT Pressure Vessel Heads	1119A Bridge Street Tomahawk WI 54487	61,486.39	0.00	61,486.39
70	Max Precision Turning Inc.	349 Bowes Rd, Unit 24 Concord ON L4K 1J3	932.25	0.00	932.25
71	McMaster-Carr	200 Aurora Industrial Parkway Aurora OH 44202 USA	4,183.87	0.00	4,183.87
72	Meridian Onecap Credit Corporation (formerly Roynat Lease Finance - Toronto) 650424	PO Box 30597 RPO Madison Burnaby BC V5C 6J5	27,692.61	0.00	27,692.61
73	Minister of Finance (PEI)	31 Gordon Drive Charlottetown PE C1A 6B8	667.00	0.00	667.00
74	MISTRAS Services Inc.	C/O Lockbox 915890P.O. Box 4090 STN A Toronto ON M5W 0E0	3,554.99	0.00	3,554.99
75	MOBILE MINI STORAGE SOLUTIONS	73 BROWNS LINE TORONTO ON M8W 3S2	1,434.83	0.00	1,434.83
76	Newman Sanitary Gasket Co	964 W Main St Lebanon OH 45036 USA	312.48	0.00	312.48
77	Noble Corporation	7171 Jane Street Concord ON L4K 1A7	7,455.64	0.00	7,455.64
78	OMOF- Ontario Ministry of Finance	11th Floor 777 Bay St Toronto ON M5G 2C8	116,655.19	0.00	116,655.19
79	Ontario Hose Specialties Inc.	7245 Pacific Circle Mississauga ON L5T 1V1	1,198.36	0.00	1,198.36
80	ONYX FIRE PROTECTION SERVICES INC.	400 Matheson Blvd West Mississauga ON L5R 0H1	2,066.42	0.00	2,066.42
81	Original Power Tool Co. Ltd.	7508 Bath Rd. Mississauga ON L4T 1L2	823.81	0.00	823.81
82	PORTA-PLUS PORTABLES	210 SUMMERFIELD DRIVE GUELPH ON N1L1L3	1,073.50	0.00	1,073.50
83	PowerOn Computer Systems	35 West Pearce St. Unit 36 Richmond Hill ON L4B 3A9	2,196.73	0.00	2,196.73
84	Province Electric Supply	425-6 Superior Blvd Mississauga ON L5T 2W5	12,169.71	0.00	12,169.71
85	Purolator Inc.	P.O. Box 1100Etobicoke Postal Stn A Etobicoke ON M9C 5K2	1.00	0.00	1.00
86	Qualtech Distribution	7795 Raoul-Lassonde St-Hyacinthe QC J2R 1E4	12,706.85	0.00	12,706.85

14-Sep-2023

Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "A"
Unsecured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
87	Ram Imaging Products Inc.	1040 Martin Grove Rd.Unit 6 Etobicoke ON M9W 4W4	937.50	0.00	937.50
88	RBC Royal Bank	c/o Harrison Penza LLB, Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2	0.00	91,209.04	91,209.04
89	Rolark Stainless Steel Inc.	71 Conair Parkway Woodbridge ON L4H 0S4	25,333.35	0.00	25,333.35
90	Rudy's Machine Ltd	2901 Greenfield Rd Ayr ON N0B 1E0	1.00	0.00	1.00
91	S.B. Simpson	16 Rutherford Rd S Brampton ON L6W 3J1	91.77	0.00	91.77
92	SAMSON Controls Inc.	1-105 Riviera Drive Markham ON L3R 5J7	48,672.52	0.00	48,672.52
93	Sarnia Piping Specialties Ltd	765 Evett StreetP.O. Box 2018 Sarnia ON N7T 7L1	1.00	0.00	1.00
94	Solid Caddgroup Inc.	201- 1325 Polson Drive Vernon BC V1T 8H2	1.00	0.00	1.00
95	Spark Power Low Voltage Services Inc.	former New Electric Enterprises Inc. ATTN: Legal Department 1337 North Service Road East, Suite 200 Oakville ON L6H 1A7	5,299.70	0.00	5,299.70
96	Spirax Sarco Canada	383 Applewood Cres Concord ON L4K 4J3	49,549.07	0.00	49,549.07
97	Stanley Manufacturing Company	230 Bartley Dr. Toronto ON M4A 1G3	1,182.10	0.00	1,182.10
98	Staples Business Advantage	c/o T04446CPO Box 4446, STN A Toronto ON M5W 4A2	7,753.15	0.00	7,753.15
99	Steel & O'Brien Manufacturing, Inc	Department 2250 PO Box 986500 Boston MA 02298-6500	410.03	0.00	410.03
100	Stonhard	95 Sunray Street Whitby ON L1N 9C9	14,520.50	0.00	14,520.50
101	Sunbelt Rentals of Canada	535 Welham Road Barrie ON L4N 8Z6	14,649.32	0.00	14,649.32
102	Syntiro Dynamics, LLC.	P.O. Box 1154 Wall NJ 17719	2,197.96	0.00	2,197.96
103	T.A. Networks Inc.	6750 Davand Drive #9 Mississauga ON L5T 2L8	4,576.71	0.00	4,576.71
104	THE PRINT HOUSE	6155 Tomken Road Unit 5 MISSISSAUGA ON L5T1X3	441.18	0.00	441.18
105	Toyota Credit Canada Incorporated Attn: Anca, Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5	0.00	1.00	1.00
106	Triovest Realty Advisors Inc. Landlord-8 Prologis blvd 103-400	40 University Avenue, Suite 1200 Toronto, ON M5J 1T1	184,638.01	0.00	184,638.01
107	United Rentals of Canada, Inc.	C/O T52638P.O. BOX 4526, POSTAL STATION A Toronto ON M5W 5Z9	2,744.10	0.00	2,744.10

14-Sep-2023

Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 -- Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "A"
Unsecured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
108	Valutech	10-3761 Victoria Park Avenue Toronto ON M1W 3S3	16,868.64	0.00	16,868.64
109	Vault Credit Corporation	5 - 41 Scarsdale Rd Toronto ON M3B 2R2	100,000.00	0.00	100,000.00
110	Vault Credit Corporation lease	5 - 41 Scarsdale Rd Toronto ON M3B 2R2	1.00	0.00	1.00
111	voestalpine Bohler Welding Group	1745 Meyerside Dr. Units 1-3 Mississauga ON L5T 1C6	2,880.20	0.00	2,880.20
112	Wachs Canada Inc.	a Division of ITW Canada Inc.PO Box 57539 STN A Toronto ON M5W 5M5	9,122.64	0.00	9,122.64
113	Watson Marlow	383 Applewood Crescent Concord ON L4K 4J3	62,026.03	0.00	62,026.03
114	Weston Valve & Fitting Ltd.	6471 Edwards Boulevard Mississauga ON L5T 2V2	57,022.12	0.00	57,022.12
115	WIKA Instruments Ltd.	#1, 2679 Bristol Circle Oakville ON L6H 6Z8	1.00	0.00	1.00
116	Yula Corp. Heat Exchanger Specialtists	330 Bryant Ave Bronx NY 10474-7113	84,803.00	0.00	84,803.00
		Total:	**3,273,919.98**	**91,214.04**	**3,365,134.02**

14-Sep-2023

Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "B"
Secured Creditors

Prosysco Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	BMW Canada Inc. Attn: Financial Services Department	50 Ultimate Drive Richmond Hill ON L4S 0C8	1.00	Other - Vehicles	05-Jul-2021	0.00		1.00
2	Canaccede International Acquisitions Ltd. Attn: Janet Teare	PO Box 9 Stn B London ON N6A 4Y8	1.00	Other - Vehicles	01-Aug-2021	0.00		1.00
3	Ford Credit Canada Limited Attn: Bankruptcy Department	Box 1800 RPO Lakeshore West Oakville ON L6K 0J8	1.00	Other - Vehicles	02-Nov-2020	0.00		1.00
4	Honda Canada Finance Inc c/o BankruptcyHighway.com Attn: Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2	1.00	Other - Vehicles	16-Mar-2021	0.00		1.00
5	RBC Royal Bank	c/o Harrison Penza LLB, Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2	2,509,970.63	Other - Trade Accounts Receivable	30-May-2013	1,599,851.59		
				Other - Cash in Bank - RBC Account	30-May-2013	311,400.00		91,209.04
				Other - Machinery & Equipment – net of 30% estimated auctioneer cost	30-May-2013	294,875.00		
				Other - Inventory - 30% of book value	30-May-2013	212,634.00		
				Other - Vehicles	30-May-2013	1.00		
6	Toyota Credit Canada Incorporated Attn: Anca, Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5	1.00	Other - Vehicles	07-Dec-2020	0.00		1.00
		Total:	**2,509,975.63**			**2,418,761.59**	**0.00**	**91,214.04**

14-Sep-2023
Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "C"
Preferred Creditors for Wages, Rent, etc.

Prosysco Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
				Total:	0.00	0.00	0.00

14-Sep-2023
Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "D"
Contingent or Other Liabilities

Prosysco Ltd.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
1	CRA - Tax - Ontario 120951181RP0001	Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9	1,631,000.07	0.00		Deemed Trust Claim
		Total:	**1,631,000.07**	**0.00**		

14-Sep-2023

Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "E"
Debts Due to the Debtor

Prosysco Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
			Total:	0.00 0.00 0.00			0.00	

14-Sep-2023
Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "F"

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

Prosysco Ltd.

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

14-Sep-2023
Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "G"
Real Property or Immovables Owned by Debtor

Prosysco Ltd.

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

14-Sep-2023
Date

Terrence Scott

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 78 – Concluded

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario
List "H"
Property

Prosysco Ltd.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Trade Accounts Receivable	0.00	1,599,851.59
		Machinery & Equipment – net of 30% estimated auctioneer cost	0.00	294,875.00
		Vehicles	0.00	1.00
		Inventory - 30% of book value	0.00	212,634.00
		Cash in Bank - RBC Account	0.00	311,400.00
			Total:	**2,418,761.59**

14-Sep-2023

Date

Terrence Scott

Court No. 32-2929201

Estate No. 32-2929201

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

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

Trustee: Bryan Gelman

License: 3328

Email: bgelman@albertgelman.com

Albert Gelman Inc. - Licensed Insolvency Trustee

60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655

Albert Gelman Inc.
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655
E-mail: proofofclaim@albertgelman.com

District of:	Ontario
Division No.	09 - Mississauga
Court No.	32-2929201
Estate No.	32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

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

____

____

In the matter of the proposal of Prosysco Ltd. of the City of Mississauga in the Province of Ontario and the claim of ____________________, creditor.

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

1. That I am a creditor of the above named debtor (or I am ______________ (position/title) of ________________, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of proposal, namely the 1st day of April 2023, and still is, indebted to the creditor in the sum of $______________, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF $______________

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

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description.)

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

☐ Regarding the amount of $______________, I do not claim a right to a priority.

(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE $______________

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF $______________

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

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF $______________

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of $__________

(Attach a copy of sales agreement and delivery receipts.)

District of Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 31 --- Concluded

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

☐ E. CLAIM BY WAGE EARNER OF $________________

☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of $________,

☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of $________,

☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF $________________

☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of $________,

☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of $________,

☐ G. CLAIM AGAINST DIRECTOR $________

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

☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM $________

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

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

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

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

☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at ______________________________, this ______________ day of __________________, ________.

____
Witness

____
Creditor

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

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

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

Dated at ____________________________________, this ________ day of ________________, _________.

____
Witness

____
Individual Creditor

____
Witness

____
Name of Corporate Creditor

Per ____________________
Name and Title of Signing Officer

Return To:

Albert Gelman Inc. - Licensed Insolvency Trustee

____
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Fax: (416) 504-1655
E-mail: proofofclaim@albertgelman.com

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 37

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

I, ______________________, creditor (or I, ______________________, representative of ______________________, creditor), of ______________, a creditor in the above matter for the sum of $ ____________, hereby request the trustee acting with respect to the proposal of Prosysco Ltd., to record my vote __________ (for or against) the acceptance of the proposal as made on the 14th day of September 2023.

Dated at ______________________, this _____ day of ______________ __________.

____
Individual Creditor

____
Witness

____
Name of Corporate Creditor

____
Witness

Per ______________________
Name and Title of Signing Officer

Return To:
Albert Gelman Inc. - Licensed Insolvency Trustee
Per:

____
Bryan Gelman - Licensed Insolvency Trustee
60 Shaftesbury Avenue
Toronto ON M4T 1A3
Fax: (416) 504-1655
E-mail: proofofclaim@albertgelman.com

PLEASE READ THIS CAREFULLY BEFORE YOU PREPARE YOUR PROOF OF CLAIM

1. The person making this claim must personally sign this form. **The signature must be witnessed.**

   If you are signing this form on behalf of a corporation or other person you must state the title or capacity in which you are acting, such as "credit manager", "accountant", "controller", "authorized agent", etc. This form must be signed by the person making the declaration.

2. You must have knowledge of the circumstances connected with the claim.

3. Please fill in the date of the bankruptcy as shown on the Notice to Creditors. **The proof of claim is incomplete unless you include a statement (marked "Schedule A")**. The balance on this statement must be complete and agree with the balance claimed by you as of the date of bankruptcy or Proposal. It must show the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. A "balance forward" or one line figure does not meet the disclosure requirements for proofs of claim issued by the Superintendent of Bankruptcy.

4. Please check (x) the type of claim which applies to you. ****PLEASE DO NOT LEAVE THIS SECTION BLANK****

   If you have a regular unsecured claim, then please check (x) beside the phrase "I do not claim a right to a priority".

   A priority claim is only granted to specific creditors under Section 13 6 of the Bankruptcy and Insolvency Act. Please review the legislation to determine if you are eligible to make such a claim in this estate.

   If you have a **SECURED CLAIM**, you must:

   (a) insert the value that you feel your security is worth, and
   (b) prove that you are secured by attaching a copy of your security document (chattel mortgage and a copy of your financing statement issued under the *Personal Property Security Act*, etc.). If you hold a mortgage over real estate, please provide the trustee with a copy of the mortgage document.

5. If you are related to the bankrupt, please cross out the word "not". If you are related by blood or marriage to the bankrupt, then you should consider yourself a related person. If the bankrupt is a corporation, you would be related to it if you were a shareholder, or if your company was controlled by the same shareholders as the bankrupt corporation.

6. You must provide the full details of all payments and credits received from or allowed to the debtor during the period indicated.

   NOTE:
   The proof of claim is INCOMPLETE unless it has been **dated, signed and witnessed.**

   If you wish to appoint a proxy, the proxy form must be completed and signed by the creditor. If the creditor is a corporation, the proxy must be signed in the corporate name and not necessarily by the individual signing the proof of claim form. If a corporation grants a voting proxy to an individual, the proxy section should be both signed, dated and witnessed. *The Bankruptcy and Insolvency Act* permits a proof of claim to be made by a duly authorized agent of a creditor, but this does not give a person power to vote at the first meeting of creditors or to act as the creditor's proxy unless the GENERAL PROXY section has been completed.

GENERAL INFORMATION

A creditor may vote either in person or proxy.

A debtor may not be appointed as proxy to vote on behalf of a creditor.

The trustee may be appointed as proxy to vote on behalf of a creditor.

A corporation may vote by an authorized agent at a meeting of creditors.

For a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy section of the proof of claim.

This is **Exhibit "C"** referred to in

the Affidavit of Ashley Robinson

Sworn by videoconference on this 22nd day of September 2023

Commissioner for taking Affidavits

Laurianne Valleau, Commissioner of Oaths
For the Province of Ontario
Expires February 1, 2026

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Take notice that Prosysco Ltd. of the City of Mississauga in the Province of Ontario has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

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

A general meeting of the creditors will be held on the 4th day of October 2023 at 3:00 PM at Via Microsoft Teams videoconference: Meeting ID: 273 417 190 339; Passcode: Meq22F.

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

Proofs of claim must be lodged with me prior to the commencement of the meeting.

Proxies and voting letters intended to be used at the meeting may be filed at any time up until the moment a vote is called.

Dated at the City of Toronto in the Province of Ontario, this 22nd day of September 2023.

Albert Gelman Inc. - Licensed Insolvency Trustee

60 Shaftesbury Avenue
Toronto ON M4T 1A3
Phone: (416) 504-1650 Fax: (416) 504-1655

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 — Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.			
Creditor	Address	Account#	Claim Amount
2289722 Ontario Inc. Mike Putz	20 Wagar Road Cameron ON K0M 1G0		300,000.00
Abell Pest Control Inc	246 Attwell Drive Etobicoke ON M9W 5B4		523.20
ACI Central Inc	PO Box 53 Charlottetown PE C1A 7K1		1,094.14
Acklands Grainger Inc.	P.O. Box 2970 Winnipeg MB R3C 4B5		2,176.97
Advanced Motion & Controls LTD	26 Saunders Road Barrie ON L4N 9A8		5,308.15
Air Liquide	1700 Steeles Ave. E Bramalea ON L6T 1A6		3,727.28
Aird & Berlis LLP Judy L. Zammit	Brookfield Place 181 Bay Street Suite 1800 Box 754 Toronto ON M5J 2T9		7,083.83
Alantra Leasing	P.O. Box 4375, 98 Cougle Road Sussex NB E4E 5L5		4,156.10
Alfa Laval Inc. Zahra Akbari	c/o TH1301, P.O. Box 4290, Postal Station A Toronto ON M5W 0E1		81,487.01
Alpha Controls & Instrumentation	361 Steelcase Rd W, Suite 6 Markham ON L3R 3V8		3,227.96
Ampco Pumps Co., Inc.	1155 Boul Rene-Levesque West, @ 2810 Montreal QC H3B 2L2		44,214.63
Anderson Instrument Company, Inc.	PO Box 96060 Chicago IL 60693-6060		12,884.25
ATCO Structures & Logistics Ltd.	65 Reive Blvd, PO Box 1089 Cookstown ON L0L1L0		1,118.70
AVCO (Alloy Valves and Control)	3210 S. Susan Steet Santa Ana CA 92704		70,958.97
Aztec Electrical Supply Inc.	25 North Rivermede Rd. #4-10 Concord ON L4K 5V4		16,959.74
BELTSERVICE CANADA COMPANY	C/O T10205CP.O. BOX 4918, STN A Toronto ON M5W 0C9		563.60

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 --- Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
BERCON RENTALS	503 Carling view drive Etobicoke ON M8W5H2		6,611.63
Blickle Canada Inc.	265 Avenue Liberte Candiac QC J5R 3X8		8,013.26
Brand Blvd	261 Martindale Road, Unit 5 St Catherines ON L2W 1A1		2,432.77
Burkert Fluid Control Systems	11425 Mt. Holly-Huntersville Road Huntersville NC 28078		444,427.65
BURT PROCESS EQUIPMENT	100 Overlook Drive Hamden CT 16514		2,842.23
Business Systems Inc.	5800 Coopers Ave. Mississauga ON L5T 2J3		1,295.69
C.F.F. Stainless Steels	1840 Burlington Street, East Hamilton ON L8H 3L4		91,080.22
Cedar Springs	45 Villarboit Cres, # 2 Concord ON L4K 4R2		465.40
Chandler Industrial Supplies	1051 Brevik Place Mississauga ON L4W 3R7		10,193.23
Cintas	23 Torlake Crescent Toronto ON M8Z 1B5		7,747.77
Colson Group Canada, Inc.	c/o Bank of America LBX 917150PO Box 4090 Stn A Toronto ON M5W 0E9		411.29
COMMERCIAL AIR COMPRESSOR LTD.	95 Konrad Crescent Markham ON L3R 8T8		11,733.59
Concept Storage Solutions	1470 Creditstone Rd Vaughan ON L4K5W2		1,331.05
Contro Valve Equipment inc.	3375 North Service Road Units B4-B6 Burlington ON L7N 3G2		11,276.27
Core Industrial Gases Inc	395 Frankcom Street Ajax ON L1S 1R4		8,751.89
CRA - Nova Scotia Tax Services Office - Halifax	PO Box 638 Halifax NS B3J 2T5		255.00

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 — Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Crown Industrial Roofing	227 Queens Plate Drive, Unit 3 Toronto, ON M9W 6Z7		9,525.90
CSI Equipment & Service	2700 N Partnership Blvd Springfield MO 65803		146,499.44
Dafco Filtration Group	1300 Aerowood Drive Mississauga ON L4W 1B7		1,509.59
Dampney Company, Inc.	85 Paris Street Everett MA 12149		1,563.98
De Lage Landen Financial Services	5046 Mainway Unit 1 Burlington ON L7L 5Z1	001-0285270-000; 001-0257459-000	15,200.85
Donaldson Company, Inc.	PO Box 207356 Dallas TX 75320-7356		19,193.95
Eri-son Instrumentation Services Corp.	32 Dawnridge Trail Brampton ON L6Z 2A1		565.00
Fabco Plastics Wholesale	2175-A Teston Rd MAPLE ON L6A1T3		20,713.56
Fastenal Canada - Kitchener	117 - 860 Trillium Drive Kitchener ON N2R 1K4		655.85
Fastening House Inc.	160 Bass Pro Mills Dr. Vaughan ON L4K 0A7		3,155.30
Federal Express Canada Ltd	P.O. Box 4626 Toronto Station A Toronto ON M5W 5B4		306.61
GENERATIONS CLEANING INC.	1129 Wentworth St-B3 OSHAWA ON L1J 8P7		4,208.07
GFL Environmental Inc.	39 Fenmar Drive North York ON M9L 1M1		1,411.68
Gould Stainless Products Ltd.	1141, 6027 – 79 Avenue SE Calgary AB T2C 5P1		656.36
GTI Roll Transportation Services Inc.	5020 Rue Fairway Lachine QC H8T 1B8		17,991.55
Hansler Smith Limited	P.O. BOX 310 Brockville ON K6V 5V5		2,006.96

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 — Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
HOOPP Realty Inc. Carol Liu	5750 Explorer Drive, Suite 402 Mississauga ON L4W 0A9	30687-t0024702-Prosysc o Ltd	804,000.00
Impro	5265 General Road Mississauga ON L4W 2K4		3,145.85
Inovinox USA, LLC	7875 SW 104 Street - Suite 103 Miami FL 33156		7,147.54
Intempco Controls Ltd	880 Selkirk Avenue Pointe-Claire QC H9R 3S3		463.30
ITM Instruments Inc.	16975 Leslie Street Newmarket ON L3Y 9A1		464.76
John Brooks Company Limited	2625 Meadowpine blvd. Mississauga ON L5N 7K5		59,274.29
KINEQUIP INC.	333 Wyecroft Rd. Unit 8 Oakville ON L6K 2H2		9,257.38
Line Process Controls Inc.	50 Venture Drive, Unit 8 Scarborough ON M1B 3L6		8,233.52
Livingston International	P.O. Box 5640Terminal A Toronto ON M5W 1P1		19,832.86
LZR FIT Pressure Vessel Heads	1119A Bridge Street Tomahawk WI 54487		61,486.39
Max Precision Turning Inc.	349 Bowes Rd, Unit 24 Concord ON L4K 1J3		932.25
McMaster-Carr	200 Aurora Industrial Parkway Aurora OH 44202 USA		4,183.87
Meridian Onecap Credit Corporation (formerly Roynat Lease Finance - Toronto)	PO Box 30597 RPO Madison Burnaby BC V5C 6J5	650424	27,692.61
Minister of Finance (PEI)	31 Gordon Drive Charlottetown PE C1A 6B8		667.00
MISTRAS Services Inc.	C/O Lockbox 915890P.O. Box 4090 STN A Toronto ON M5W 0E0		3,554.99

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 — Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
MOBILE MINI STORAGE SOLUTIONS	73 BROWNS LINE TORONTO ON M8W 3S2		1,434.83
Newman Sanitary Gasket Co	964 W Main St Lebanon OH 45036 USA		312.48
Noble Corporation	7171 Jane Street Concord ON L4K 1A7		7,455.64
OMOF- Ontario Ministry of Finance	11th Floor 777 Bay St Toronto ON M5G 2C8		116,655.19
Ontario Hose Specialties Inc.	7245 Pacific Circle Mississauga ON L5T 1V1		1,198.36
ONYX FIRE PROTECTION SERVICES INC.	400 Matheson Blvd West Mississauga ON L5R 0H1		2,066.42
Original Power Tool Co. Ltd.	7508 Bath Rd. Mississauga ON L4T 1L2		823.81
PORTA-PLUS PORTABLES	210 SUMMERFIELD DRIVE GUELPH ON N1L1L3		1,073.50
PowerOn Computer Systems	35 West Pearce St. Unit 36 Richmond Hill ON L4B 3A9		2,196.73
Province Electric Supply	425-6 Superior Blvd Mississauga ON L5T 2W5		12,169.71
Qualtech Distribution	7795 Raoul-Lassonde St-Hyacinthe QC J2R 1E4		12,706.85
Ram Imaging Products Inc.	1040 Martin Grove Rd.Unit 6 Etobicoke ON M9W 4W4		937.50
RBC Royal Bank	c/o Harrison Penza LLB, Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2		2,509,970.63
Rolark Stainless Steel Inc.	71 Conair Parkway Woodbridge ON L4H 0S4		25,333.35
SAMSON Controls Inc.	1-105 Riviera Drive Markham ON L3R 5J7		48,672.52

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 — Continued

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Spark Power Low Voltage Services Inc.	former New Electric Enterprises Inc. ATTN: Legal Department 1337 North Service Road East, Suite 200 Oakville ON L6H 1A7		5,299.70
Spirax Sarco Canada	383 Applewood Cres Concord ON L4K 4J3		49,549.07
Stanley Manufacturing Company	230 Bartley Dr. Toronto ON M4A 1G3		1,182.10
Staples Business Advantage	c/o T04446CPO Box 4446, STN A Toronto ON M5W 4A2		7,753.15
Steel & O'Brien Manufacturing, Inc	Department 2250 PO Box 986500 Boston MA 02298-6500		410.03
Stonhard	95 Sunray Street Whitby ON L1N 9C9		14,520.50
Sunbelt Rentals of Canada	535 Welham Road Barrie ON L4N 8Z6		14,649.32
Syntiro Dynamics, LLC.	P.O. Box 1154 Wall NJ 17719		2,197.96
T.A. Networks Inc.	6750 Davand Drive #9 Mississauga ON L5T 2L8		4,576.71
THE PRINT HOUSE	6155 Tomken Road Unit 5 MISSISSAUGA ON L5T1X3		441.18
Triovest Realty Advisors Inc.	40 University Avenue, Suite 1200 Toronto, ON M5J 1T1	Landlord-8 Prologis blvd 103-400	184,638.01
United Rentals of Canada, Inc.	C/O T52638P.O. BOX 4526, POSTAL STATION A Toronto ON M5W 5Z9		2,744.10
Valutech	10-3761 Victoria Park Avenue Toronto ON M1W 3S3		16,868.64
Vault Credit Corporation	5 - 41 Scarsdale Rd Toronto ON M3B 2R2		100,000.00
voestalpine Bohler Welding Group	1745 Meyerside Dr. Units 1-3 Mississauga ON L5T 1C6		2,880.20

District of: Ontario
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

FORM 92 — Concluded

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

List of Creditors with claims of $250 or more.

Creditor	Address	Account#	Claim Amount
Wachs Canada Inc.	a Division of ITW Canada Inc.PO Box 57539 STN A Toronto ON M5W 5M5		9,122.64
Watson Marlow	383 Applewood Crescent Concord ON L4K 4J3		62,026.03
Weston Valve & Fitting Ltd.	6471 Edwards Boulevard Mississauga ON L5T 2V2		57,022.12
Yula Corp. Heat Exchanger Specialtists	330 Bryant Ave Bronx NY 10474-7113		84,803.00
Total			5,783,546.71

This is **Exhibit "D"** referred to in

the Affidavit of Ashley Robinson

Sworn by videoconference on this 22nd day of September 2023

Commissioner for taking Affidavits

Laurianne Valleau, Commissioner of Oaths

For the Province of Ontario

Expires February 1, 2026

Government of Canada Gouvernement du Canada

Update filing - update is confirmed

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2929201
- **Estate Name:** Prosysco Ltd.

Document(s) submitted

The following document(s) have been successfully submitted

- Form 92: Notice of Proposal to Creditors

Reference

- The Reference Number for this transaction is: **21447475**.
- Submitted by Ashley Robinson.
- 2023-09-22 11:38 EDT

Submit another document for this estate.

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2023-09-20

In the Matter of the Proposal of
1110615 Ontario Ltd.
of the City of Mississauga, in the Province of Ontario

Court File No. 32-2929202

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

AFFIDAVIT OF SERVICE

ALBERT GELMAN INC.
60 Shaftesbury Avenue
Toronto, Ontario
M4T 1A3

Trustee: Bryan Gelman
(416) 504-1650 - 115
bgelman@albertgelman.com

APPENDIX “F”

District of: Ontario
Division No.: 09 – Mississauga
Court No.: 32-2929202
Estate No.: 32-2929202

In the matter of the Proposal of
1110615 Ontario Ltd.
of the City of Mississauga, in the Province of Ontario

MINUTES OF THE FIRST MEETING OF CREDITORS

Trustee: Albert Gelman Inc. ("**AGI**" or the "**Trustee**")
Debtor: 1110615 Ontario Ltd. (the "**Debtor**")
Chairperson: Bryan Gelman

Date of First Meeting of Creditors: October 4, 2023 at 4:00 p.m. (Toronto time)

Location: Via videoconference

Attendees: Bryan Gelman, Chairperson
Tom McElroy, representative of the Trustee
Ianina Raguimov, representative of the Trustee
Alan Chimco, representative of the Debtor
Brendan Bissell, legal counsel to Debtor
Jessica Wuthmann, legal counsel to the Debtor

The Chairperson called the meeting to order at 4 pm.

Pursuant to section 106 (2) of the BIA, there was no one present to vote so the Chairperson advised that there was not a quorum.

The Chairperson adjourned to October 30, 2023 at 2:00 pm.

The meeting was adjourned.

ALBERT GELMAN INC., solely in its capacity as Trustee in the Proposal of 1110615 Ontario Ltd. and not in its personal capacity

Digitally signed by Bryan Gelman

Per: Bryan Gelman, *CIRP, LIT*

APPENDIX “G”

District of: Ontario
Division No.: 09 – Mississauga
Court No.: 32-2929201
Estate No.: 32-2929201

In the matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Minutes of the Reconvened First Meeting of Creditors

Trustee: Albert Gelman Inc. ("**AGI**" or the "**Trustee**")
Debtor: Prosysco Ltd. (the "**Debtor**")
Chairperson: Bryan Gelman

Date of Reconvened First Meeting of Creditors: October 30, 2023 at 1:00 p.m. (Toronto time)

Location: Via videoconference

Attendees: Bryan Gelman, Chairperson
Tom McElroy, representative of the Trustee
Ianina Raguimov, representative of the Trustee
Terry Scott, representative of the Debtor
Brendan Bissell, legal counsel to Debtor
Jessica Wuthmann, legal counsel to the Debtor
David Kennedy, general proxy for RBC
Rene Tegelaar, general proxy for CRA
Suzie Banwait, general proxy of Endress + Hauser
Sarah De Nobriga, representative of Watson Marlow
Matthew Feldman, representative of Yula
Mario Forte, counsel to the Trustee

The meeting was called to order at 1:00 p.m.

Bryan Gelman advised that he is the chairman of meeting and pursuant to subsection 51(3) of the BIA the Chairman will decide any questions or disputes arising at the meeting, subject to the right of any creditor to appeal any decision to the Court.

The Chairman examined the unsecured proof of claims and proxies and established that there was a quorum.

The Chairman opened the floor to discussion amongst the attendees.

Mr. Tegelaar advised that the CRA is not currently in a position to vote on the Proposal until such time as a real property appraisal is completed in respect of the personal residence of Mr. Alan Chimko, the Director of the Debtor (the "**Appraisal**"). Mr. Kennedy advised that RBC also required a copy of the Appraisal. Mr. Bissell advised that the Appraisal will likely be completed in or around November 10, 2023.

Mr. Tegelaar also confirmed the CRA would not be required to review the Debtor's payroll account in this particular proposal because a review had already been completed earlier in the year.

Mr. Kennedy confirmed that RBC required that the Debtor file an amended proposal which is not made to RBC in its capacity as a secured creditor. RBC would consider entering in a forbearance agreement (or other agreement) with the Debtor outside of the Proposal.

Adjournment

Suzie Banwait, in her capacity as general proxy for Endress + Hauser, made a Motion to adjourn the meeting of creditors to November 17, 2023 at 10 a.m. The motion was seconded by Rene Tegelaar. David Kennedy, Matthew Feldman and Sarah De Nobriga were each in favour of the adjournment as well. There were no objections from any other attendees.

DATED at Toronto, Ontario this 2nd day of November 2023

ALBERT GELMAN INC., solely in its capacity as Trustee in the Proposal of Prosysco Ltd. and not in its personal capacity

Digitally signed by Bryan Gelman

Per: Bryan Gelman, *CIRP, LIT*

APPENDIX “H”

District of: Ontario
Division No.: 09 – Mississauga
Court No.: 32-2929201
Estate No.: 32-2929201

In the matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Minutes of the Reconvened First Meeting of Creditors

Trustee: Albert Gelman Inc. ("**AGI**" or the "**Trustee**")
Debtor: Prosysco Ltd. (the "**Debtor**")
Chairperson: Tom McElroy

Date of Reconvened First Meeting of Creditors: November 17, 2023 at 10:00 a.m. (Toronto time)

Location: Via videoconference

Attendees:
Tom McElroy, Chairman/Trustee
Ianina Raguimov, representative of the Trustee
Terry Scott, representative of the Debtor
Brendan Bissell, legal counsel to Debtor
Jessica Wuthmann, legal counsel to the Debtor
David Kennedy, general proxy for RBC
Rene Tegelaar, general proxy for CRA
Sarah De Nobriga, representative of Watson Marlow
Matthew Feldman, representative of Yula
Mario Forte, counsel to the Trustee

The meeting was called to order at 10:00 a.m.

Tom McElroy advised that he is the chairman of meeting and pursuant to subsection 51(3) of the BIA the Chairman will decide any questions or disputes arising at the meeting, subject to the right of any creditor to appeal any decision to the Court.

The Chairman examined the unsecured proof of claims and proxies and established that there was a quorum.

The Chairman advised the real property appraisal in respect of the personal residence of Mr. Alan Chimko was completed and circulated to representatives of both RBC and CRA.

The Chairman opened the floor to discussion amongst the attendees.

Mr. Bissell advised that the Debtor will require additional time to prepare an amended proposal.

Representatives of both RBC and CRA as well as each of the other attendees were in agreement to provide an additional time to the Debtor to prepare its amended proposal.

Adjournment

Mr. Tegelaar, in his capacity as general proxy for CRA, made a Motion to adjourn the meeting of creditors to November 27, 2023 at 10 a.m. The motion was seconded by David Kennedy, in his capacity as general proxy for RBC. There were no objections from any other attendees.

DATED at Toronto, Ontario this 27th day of November 2023

ALBERT GELMAN INC., solely in its capacity as Trustee in *re* the Proposal of Prosysco Ltd. and not in its personal capacity

Per: Tom McElroy, *CIRP, LIT*

APPENDIX "I"

District of: Ontario
Division No.: 09 – Mississauga
Court No.: 32-2929201
Estate No.: 32-2929201

In the matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Minutes of the Reconvened First Meeting of Creditors

Trustee: Albert Gelman Inc. ("**AGI**" or the "**Trustee**")
Debtor: Prosysco Ltd. (the "**Debtor**")
Chairperson: Tom McElroy

Date of Reconvened First Meeting of Creditors: November 17, 2023 at 10:00 a.m. (Toronto time)

Location: Via videoconference

Attendees: Tom McElroy, Chairman/Trustee
Ianina Raguimov, representative of the Trustee
Terry Scott, representative of the Debtor
Brendan Bissell, legal counsel to Debtor
Jessica Wuthmann, legal counsel to the Debtor
David Kennedy, general proxy for RBC
Rene Tegelaar, general proxy for CRA
Sarah De Nobriga, representative of Watson Marlow
Matthew Feldman, representative of Yula
Mario Forte, counsel to the Trustee

The meeting was called to order at 10:00 a.m.

Tom McElroy advised that he is the chairman of meeting and pursuant to subsection 51(3) of the BIA the Chairman will decide any questions or disputes arising at the meeting, subject to the right of any creditor to appeal any decision to the Court.

The Chairman examined the unsecured proof of claims and proxies and established that there was a quorum.

The Chairman advised the real property appraisal in respect of the personal residence of Mr. Alan Chimko was completed and circulated to representatives of both RBC and CRA.

The Chairman opened the floor to discussion amongst the attendees.

Mr. Bissell advised that the Debtor will require additional time to prepare an amended proposal.

Representatives of both RBC and CRA as well as each of the other attendees were in agreement to provide an additional time to the Debtor to prepare its amended proposal.

Adjournment

Mr. Tegelaar, in his capacity as general proxy for CRA, made a Motion to adjourn the meeting of creditors to November 27, 2023 at 10 a.m. The motion was seconded by David Kennedy, in his capacity as general proxy for RBC. There were no objections from any other attendees.

DATED at Toronto, Ontario this 27th day of November 2023

ALBERT GELMAN INC., solely in its capacity as Trustee in *re* the Proposal of Prosysco Ltd. and not in its personal capacity

Per: Tom McElroy, *CIRP, LIT*

APPENDIX “J”

District of Ontario
Division No.: 09 - Mississauga
Estate No.: 32-2929201
Court No.: 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(In Bankruptcy and Insolvency)

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

AMENDED PROPOSAL

(Dated December 4, 2023)

Prosysco Ltd., the above-named Debtor (the "**Debtor**"), hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c.B-3, as amended (the "**BIA**").

1. DEFINITIONS

In this Proposal, the following terms have the meaning herein set out:

(a) **Claim.** A "claim provable" is as defined in the BIA. For clarification, this includes any debt or liability, present or future, to which the Debtor was subject on the NOI Date or to which the Debtor may become subject before the Completion Date by reason of any obligation incurred before the NOI Date, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease or agreement, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date. In the event of any inconsistency between this definition and the definition of "claim provable" as defined in the BIA, the terms of the BIA shall prevail.

(b) **CRA.** Canada Revenue Agency.

Initial

(c) **Completion Date**. The date on which the Trustee files its certificate of completion, certifying that this Proposal has been fully performed by the Debtor.

(d) **Final Approval.** Acceptance of the Proposal by the creditors of the Debtor and approval by the Court, both in accordance with the BIA, and any appeal period with respect to Court approval having expired.

(e) **Landlord.** HOOPP Realty Inc.

(f) **NOI Date.** The date on which the Debtor filed a Notice of Intention to Make a Proposal in contemplation of this Proposal with the Official Receiver being April 1, 2023.

(g) **Ordinary Creditor.** An Unsecured Creditor that is not a Preferred Creditor.

(h) **Preferred Creditor.** An Unsecured Creditor in respect of any Claim that would be payable in priority to other Unsecured Creditors pursuant to the provisions of s.136 of the BIA.

(i) **Proposal.** This Proposal, as it may be amended from time to time.

(j) **Proposal Date.** The date of the initial filing of the Proposal with the Official Receiver.

(k) **Proven Claim.** Any Claim which is the subject of a proof of claim that has been filed with the Trustee and admitted by the Trustee in accordance with the BIA.

(l) **Secured Creditor.** A creditor holding security against the property of the Debtor in respect of their Claim as "Secured Creditor" is defined in the BIA.

(m) **Trustee.** Albert Gelman Inc., as Licensed Insolvency Trustee to the Proposal of the Debtor.

(n) **Trustee's Fees and Disbursements.** The fees and disbursements of the Trustee incidental to the proceedings arising out of the Proposal including: (i) The Trustee's fees which shall be based on the amount of time spent in respect of the Proposal including applicable HST thereon; and (ii) all reasonable expenses and disbursements incurred by the Trustee including, without limitation, any legal fees; plus any applicable taxes on those expenses and disbursements. For the purposes of calculating its fees, the Trustee will track the time spent by its staff in respect of and incidental to the Proposal and shall bill that time on an hourly-rate basis at its prevailing rates. The Trustee's hourly billing rates for its professional and administrative staff are subject to change without notice to the Debtor.

Initial DS

(o) **Unsecured Creditor.** A creditor having a Claim against the Debtor other than a Secured Creditor. An Unsecured Creditor includes both an Ordinary Creditor and Preferred Creditor, and includes a Secured Creditor in respect of any Claim or portion of their Claim that is not secured (if any).

2. DEBTS OWED TO THE CROWN

(a) Proven Claims of His Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of provincial legislation that were outstanding on the NOI Date (the "**Deemed Trust Claim**") shall be paid in full within twenty-four (24) months of Final Approval of this Proposal.

(b) The CRA filed a claim with the Trustee on July 21, 2023 confirming that the Deemed Trust Claim is $1,631,000.07.

(c) The Debtor shall remit directly to the CRA the Deemed Trust Claim amount in equal consecutive monthly payments of $67,958.33 each commencing in the month following Final Approval until the Deemed Trust Claim is paid in full. The Debtor shall provide the CRA with twenty-four (24) post-dated monthly cheques which shall be dated the last day of each respective month following Final Approval. Twenty-three (23) of the post-dated cheques will be in the amount of $67,958.33 each. The final post-dated cheque for the twenty-fourth month shall be in the amount of $67,958.48. The Trustee will not be responsible to monitor payment of this provision of the Proposal.

(d) As consideration for the CRA agreeing to the payment terms of this section of the Proposal, Alan Chimko, the current sole director of the Debtor, will provide the CRA with a joint and several guarantee up to the maximum amount of $1 million for the Deemed Trust Claim, which guarantee will be secured by the benefit of a collateral mortgage against his residential property. Such collateral mortgage shall be granted to the Royal Bank of Canada ("**RBC**"), who shall share the benefit of the collateral mortgage with the CRA in accordance with the terms of a Forbearance Agreement dated December 4, 2023 among RBC, the Debtor, Alan Chimko, and two others (the "**Forbearance Agreement**"). This guarantee and the benefit of the collateral mortgage shall be provided to the CRA and RBC prior to the return of any motion to approve this Proposal and on the Proposal being approved by the Court, same shall be effective and the subject mortgage registered.

(e) CRA's acceptance of this Proposal will be considered acceptance of the terms of the guarantee provided to it from Alan Chimko and the Allocation Formula (as defined in the Forbearance Agreement) contained in the Forbearance Agreement.

Initial DS

3. **SECURED CREDITORS**

(a) This Proposal is not being made to RBC in respect of its secured Claim (the "**RBC Secured Claim**"). RBC will be paid in accordance with the terms of the Forbearance Agreement. Any default of the Debtor or other parties to the Forbearance Agreement will not be a default under the Proposal.

(b) This Proposal is also being made to Vault Credit Corporation in respect of its secured Claim arising from the Loan Agreement #253259 between the Debtor and Vault Credit Corporation dated April 26, 2022. The value of the collateral held by Vault Credit Corporation in respect of that loan agreement shall be valued at $0.00 for purposes of this Proposal. Vault Credit Corporation will be entitled to file a Claim in respect of that loan agreement as an Unsecured Creditor in the Debtor's Proposal.

(c) Other than Vault Credit Corporation and the parties referred to in paragraph 6 below, payment of the Claims of all other Secured Creditors shall be made in the usual manner or as may be agreed between the Debtor and the Secured Creditors. For greater certainty, the continued payments include the amounts owed to Vault Credit Corporation under Equipment Lease #229167 and Equipment Lease #227307.

4. **PREFERRED CREDITORS**[1]

(a) For the purposes of paragraph 7(b) of this Proposal, Proven Claims of Preferred Creditors, without interest, shall be paid in priority to all Ordinary Creditors in accordance with the order of priorities set out in section 136 of the BIA.

(b) Any partial or interim payments made under this Proposal to multiple Preferred Creditors with the same level of priority under the BIA shall be paid on a *pro rata* and *pari passu* basis among those creditors.

(c) Claims of employees and former employees of amounts equal to the amounts that they would be qualified to receive under paragraph 136(1)(*d*) of the BIA as well as wages, salaries, commissions or compensation for services rendered after the NOI Date and before Final Approval of this Proposal, together with, in the case of travelling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period shall be paid by the Debtor immediately after Final Approval of this Proposal.

5. **COMMERCIAL LANDLORD**

(a) On April 24, 2023, pursuant to section 65.2(1) of the BIA, the Debtor issued a notice to the Landlord disclaiming its commercial lease in respect of the 8 Prologis Blvd., Mississauga, Ontario, Suites 103 and 400 property effective May 31, 2023 (the "**Commercial Lease Disclaimer**"). As a result of the

[1] There are no known Preferred Creditors as at the date of filing this Proposal.

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Commercial Lease Disclaimer the Landlord is an Unsecured Creditor of the Debtor and shall be entitled to file a Claim in this Proposal.

(b) The unsecured Claim of the Landlord is to be calculated pursuant to section 65.2(4)(b) of the BIA as follows:

The lesser of:

(i) The aggregate of

(A) the rent provided for in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and

(B) fifteen per cent of the rent for the remainder of the term of the lease after that year, and

(ii) three years' rent.

6. **DISCLAIMED AGREEMENTS**

(a) Prior to the filing of this Proposal the Debtor disclaimed several agreements pursuant to section 65.11(1) of the BIA, including agreements with Meridian OneCap Credit Corp., Catalyst Finance Partners Inc. and De Lage Landen Financial Services Canada Inc.

(b) These creditors shall be considered Unsecured Creditors and shall be entitled to file a Claim in this Proposal in accordance with section 65.11(8) of the BIA.

7. **UNSECURED CREDITORS**

(a) The Debtor shall pay to the Trustee the total sum of $250,000, to be paid in twelve (12) consecutive monthly payments of $20,833.33 each. The first monthly payment shall be due and payable on the last day of the month in the twenty-fifth (25th) month following Final Approval of this Proposal and the balance of the payments are due and payable on the last day of each consecutive month thereafter. The final monthly payment due and payable on the last day of the month in the thirty-sixth (36th) month shall be in the amount of $20,833.37. Payments made to the Trustee pursuant to this Proposal are referred to herein as the "**Proposal Fund**".

(b) The Trustee shall distribute the Proposal Fund in the following order:

i. Payment of Proven Claims of Preferred Creditors, if any, in full; and

ii. Payment of Proven Claims to Ordinary Creditors on a *pro rata* and *pari passu* basis.

Initial

(c) Any payments made by or on behalf of the Debtor under this Proposal shall be applied to the scheduled payments in the order they come due unless otherwise specified by the Debtor. The Debtor shall have the right to prepay any or all of the balance due under the Proposal prior to the expiration of the scheduled payment terms without interest or penalty so long as any payments made pursuant to paragraph (a) of this section are made after both the Deemed Trust Claim and RBC Secured Claim are paid in full. Any prepayment shall not accelerate the due date of any other payment(s) still outstanding unless otherwise specified in this Proposal.

(d) In accordance with section 147 of the BIA, the Superintendent of Bankruptcy levy shall be deducted from all distributions to Unsecured Creditors except where the BIA does not require the levy.

(e) By casting a vote with the Trustee in favour (or 'For') this Proposal each Unsecured Creditor (including Preferred Creditors) agrees that their respective Claim does not fall within the definition of BIA section 178, debts not released by order of discharge.

8. CLASSIFICATION OF CREDITORS

(a) The creditors of the Debtor under this Proposal shall comprise one class, being Proven Claims of Preferred Creditors and of Unsecured Creditors.

9. PROPOSAL FILED BY RELATED COMPANY

(b) 1110615 Ontario Inc. ("**111Co.**") owns one hundred percent (100%) of the Class A Common Voting shares of the Debtor.[2] 111Co. filed a proposal under Part III, Division I of the BIA on September 14, 2023 (Estate no. 32-2929202), which was amended on December 3, 2023 (as amended, the "**111Co. Proposal**").

(c) This Proposal is conditional upon acceptance of the 111Co. Proposal by its creditors and approval of the 111Co. Proposal by the Court. The Court shall not approve this Proposal unless and until and the creditors of 111Co. approve the 111Co. Proposal with any amendments thereto.

10. PROVISIONAL HST RETURN

(a) As part of the Proposal, the Debtor will prepare a provisional HST return showing a reasonable estimate of its HST debt for the period up to and including the NOI Date (the "**Provisional HST Return**").

(b) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of

[2] There are two other shareholders: Adam Kurtz, who holds 100% of the Class C Common Voting shares, and Dmitry Puzhitsky, who holds 100% of the Class B Common Voting shares.

Initial

this Proposal, the CRA will include the HST debt calculated pursuant to the Provisional HST Return as part of their Claim in this Proposal.

11. **CANADA REVENUE AGENCY WAIVER**

(a) Upon both the acceptance of this Proposal by the CRA and Final Approval, the CRA agrees:

a. to waive its statutory right to pursue any past or present director(s) of the Debtor to collect any unpaid GST/HST or source deductions owing by the Debtor for the period up to and including the NOI Date (the "**CRA Debt**") (collectively, the "**Director Waiver**"). For further clarification, upon Final Approval of this Proposal, the CRA agrees that it will not pursue the director(s) of the Debtor for any debts owing by the Debtor to the CRA which relate to any period up to and including the NOI Date;

b. that any additional GST/HST and/or corporate income tax resulting from any assessment or reassessment by the CRA subsequent to the NOI Date for additional amounts owing by the Debtor and related to any period of time up to and including the NOI Date will form part of CRA's Claim in this Proposal; and

c. to waive any claim as against RBC in relation to RBC continuing to draw its monthly accrued interest payments and equipment lease payments directly from the Debtor's RBC bank account.

(b) If, prior to the Completion Date, the Debtor is in default of any of the provisions of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, the Director Waiver referred to in paragraph 11. (a) above shall become null and void.

12. **WAIVER OF COLLECTION REMEDIES**

(a) If this Proposal is accepted by the creditors of the Debtor and approved by the Court, and unless CRA otherwise objects to the acceptance and/or approval of this Proposal, or the Debtor defaults in a provision of this Proposal, and such default is not remedied in accordance with the terms of this Proposal, CRA shall not take any action to assess any non-arm's length party pursuant to the provisions of either section 160 of the *Income Tax Act*, section 325 of the *Excise Tax Act*, or any other provisions of any other Act or statute, in relation to any portion of the corporate income tax, unpaid source deductions or GST/HST debt of the Debtor that is included in CRA's Claim.

13. **PROPOSAL DEFAULT FUND**

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Proposal Default Fund**") from the portion of the

Initial

Proposal Fund that would otherwise be distributed to creditors. The purpose of the Proposal Default Fund will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel (the "**Application Fees**"), required to make an application to Court seeking the annulment of the Proposal (a "**Default Application**") in the event of default of the Proposal. The funds reserved in the Proposal Default Fund shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund (after payment of any Application Fees) shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements other than Application Fees may be paid out of the Proposal Default Fund if there are insufficient Proposal Funds outside of the Proposal Default Fund to cover any such fees and disbursements that may be outstanding.

(c) Where default has been made by the Debtor under any term of this Proposal, and the default has not been waived by the Inspectors (as defined below) or by the Unsecured Creditors, or cured by the Debtor:

i. Upon the resolution of the Inspectors, if any, or upon the resolution of the Unsecured Creditors, the Trustee shall make a Default Application if the Proposal Default Fund is and remains fully funded as set out in paragraph (a) of this section; and

ii. If there is no resolution of the Inspectors (if any) or the Unsecured Creditors either in favour of or against the Trustee making a Default Application, the Trustee may, in its sole discretion, seek such a resolution; and, if no such resolution is made after being sought by the Trustee, or in the case of urgency where prejudice might in the Trustee's view occur in the time necessary to obtain such a resolution, the Trustee may, in its sole discretion, commence a Default Application.

(d) In the event that the Proposal Default Fund balance in the Trustee's trust account is not fully funded as set out in paragraph (a) of this section at the time of a default under this Proposal by the Debtor, the Trustee shall have the sole discretion as to whether to make a Default Application upon being requested to do so pursuant to the preceding paragraph.

(e) In the event the Default Application does not proceed or is not successful for any reason whatsoever (for example, due to the Debtor curing the default in the interim), any Application Fees incurred shall still be payable out of the Proposal Default Fund, and any balance of the Application Fees that may remain shall be payable as part of the Trustee's Fees and Disbursements out of the Proposal Fund in the normal course.

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14. BANKRUPTCY RESERVE

(a) Until the Completion Date, the Trustee shall reserve in its trust account the amount of $15,000 (the "**Bankruptcy Reserve**") from the portion of the Proposal Fund that would otherwise be distributed to creditors. The purpose of the Bankruptcy Reserve will be to fund the Trustee's fees and disbursements, including the fees and disbursements of its legal counsel, required to administer a bankruptcy of the Debtor in the event that this Proposal is annulled. The funds reserved in the Bankruptcy Reserve shall still be considered as funds paid towards the Proposal Fund for the purposes of determining the full performance of terms of this Proposal. Once a certificate of full performance of this Proposal has been issued to the Debtor, or this Proposal is annulled, this provision shall no longer apply and the Proposal Default Fund shall form part of the general Proposal Fund.

(b) The Trustee's Fees and Disbursements in the Proposal may be paid out of the Bankruptcy Reserve if there are insufficient Proposal Funds outside of the Bankruptcy Reserve to cover any such fees and disbursements that may be outstanding.

15. COMPLIANCE CLAUSE

(a) Until the Completion Date, the Debtor will keep all filings, remittances and instalments to the CRA (if any) current. The Trustee shall not be responsible to monitor this section of the Proposal and it shall be the obligation of the creditors (including the CRA) to advise the Trustee of any non-compliance with this section by the Debtor. The Trustee shall not be responsible to monitor any provision of this section of the Proposal and the Debtor shall be deemed to be in compliance with this section unless the Trustee is notified by an Unsecured Creditor that the Debtor is not in compliance with this section.

16. TRUSTEE'S FEES AND DISBURSEMENTS

(a) In addition to the Proposal Fund, the Debtor has agreed to fund the Trustee's Fees and Disbursements. The funds paid by the Debtor to fund the Trustee's Fees and Disbursements are in addition to the Proposal Fund. The Debtor shall fund the entirety of the Trustee's Fees and Disbursements before the Trustee issues a certificate of full performance in accordance with section 65.3 of the BIA.

17. GENERAL PROVISIONS

(a) The Trustee is acting solely in its capacity as Licensed Insolvency Trustee under this Proposal and not in its personal or corporate capacity. The Trustee shall have the powers granted to it by the Proposal, by the BIA, and by any order of the Court. The Trustee and its officer(s), director(s), employee(s) or agent(s) are not and shall not be responsible or liable for any obligations of the Debtor, and shall be exempt from all personal and corporate liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

(b) Sections 95 to 101 of the BIA (with the exception of section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business or financial affairs.

(c) All payments required to be paid by or on behalf of the Debtor under the terms of this Proposal shall be paid over to the Trustee unless otherwise stated herein. The Trustee shall make all payments out of the funds paid to it in accordance with the terms of this Proposal.

(d) At the meeting of creditors to consider this Proposal, the creditors may, by vote in accordance with the BIA, appoint up to five inspectors (the "**Inspectors**") who will have, in addition to any powers of inspectors under the BIA, the power to:

   i. receive any notice of default in the performance of the Proposal and waive any such default;

   ii. advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and,

   iii. extend the time for any payment due under this Proposal.

(e) Upon the Completion Date, all present and past directors of the Debtor shall be released and discharged by the Unsecured Creditors from liability or obligation for any claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor) where the directors are by law liable in their capacity as directors of the Debtor pursuant to section 50(13) of the BIA and subject to the exceptions in section 50(14) of the BIA.

(f) Upon the Completion Date, the Debtor shall be released and discharged from any and all Claims (whether or not a Proven Claim is filed in respect of a related Claim against the Debtor).

(g) All proper Claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date up to the date of approval of this Proposal by the Superior Court of Justice in Bankruptcy and Insolvency, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the Claims of all other Creditors.

(h) The following creditors have agreed not to file a proof of claim in this Proposal and will not participate in distributions to Unsecured Creditors under this Proposal:

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- 2090985 Ontario Inc.
- Alan Chimko
- The Estate of Paul Chimko
- Dmitry Puzhitsky
- 111Co.

(i) Any notices or communications in respect of this Proposal shall be delivered to the Debtor at the address set out below:

Prosysco Ltd.
c/o Reconstruct LLP
200 Bay Street, Suite 2305 Box 120
Toronto, ON M5J 2J3
Attention: Brendan Bissell
E-mail: bbissell@reconllp.com

(j) For purposes of this Proposal, Claims denominated in a currency other than Canadian Dollars will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

Dated at Mississauga, Ontario this 3rd day of December 2023

Prosysco Ltd.

DocuSigned by:
Per: ____________________
A446BA74892F457...
Name: Alan Chimko

I have the authority to bind the corporation.

DS
Initials

APPENDIX “K”

District of: Ontario
Division No.: 09 – Mississauga
Court No.: 32-2929201
Estate No.: 32-2929201

In the matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Minutes of the Reconvened First Meeting of Creditors

Trustee: Albert Gelman Inc. ("**AGI**" or the "**Trustee**")
Debtor: Prosysco Ltd. (the "**Debtor**")
Chairperson: Bryan Gelman

Date of Reconvened First Meeting of Creditors: December 4, 2023 at 10:00 a.m. (Toronto time)

Location: Via videoconference

Attendees:
Bryan Gelman, Chairman/Trustee
Ianina Raguimov, representative of the Trustee
Terry Scott, representative of the Debtor
Brendan Bissell, legal counsel to Debtor
Jessica Wuthmann, legal counsel to the Debtor
David Kennedy, general proxy for RBC
Rene Tegelaar, general proxy for CRA
Sarah De Nobriga, representative of Watson Marlow
Suzie Banwait, general proxy of Endress + Hauser
Matthew Feldman, representative of Yula
Mario Forte, counsel to the Trustee
Tim Hogan, counsel to RBC

The meeting was called to order at 10:00 a.m.

Bryan Gelman advised that he is the chairman of meeting and pursuant to subsection 51(3) of the BIA the Chairman will decide any questions or disputes arising at the meeting, subject to the right of any creditor to appeal any decision to the Court.

The Chairman examined the unsecured proof of claims and proxies and established that there was a quorum.

The Chairman advised that a draft version of the Company's forbearance agreement with RBC as well as a draft form guarantee of Alan Chimko had been circulated to representatives of both RBC and CRA for review prior to the creditor meeting.

The Chairman tabled and circulated to the attendees the Company's amended proposal dated December 4, 2023 (the "**Amended Proposal**").

The Chairman opened the floor to discussion amongst the attendees.

Brendan Bissell, counsel to the Company, confirmed the forbearance agreement will be signed today by all affected parties.

Adjournment

Suzie Banwait, in her capacity as general proxy for Endress + Hauser, made a Motion to adjourn the meeting of creditors to 11:30 a.m. today to allow time for creditors to review the Amended Proposal. The motion was seconded by Rene Tegelaar, in his capacity as general proxy for CRA. There were no objections from any other attendees.

The meeting was called back to order at 11:30 a.m.

Vote on Amended Proposal

A motion to call a vote on the Amended Proposal.

A vote was tabulated by the Trustee on the Amended Proposal.

Claim for CRA Source Deductions:

Rene Tegelaar, in his capacity as general proxy for CRA, voted "In Favour" of the Amended Proposal, in which CRA approved of section 2 of the Amended Proposal which extended the term of payment of the CRA source deductions to 24 months.

Unsecured Creditors:

The Trustee tallied the votes and announced the outcome as follows:

Creditor	Vote *(For or Against)*	Claim amount ($)
2289722 Ontario Inc.	For	300,000.00
Blickle Canada Inc.	For	8,013.26
OMOF-Ontario Ministry of Finance	For	170,605.90
Qualtech Distribution	For	12,706.85
Ram Imaging Products Inc.	For	937.50
S.B.Simpson	For	91.77
Yula	For	86,568.90
Endress+Hauser Canada Ltd	For	56,205.21
Watson Marlow	For	62,026.03

The result of the vote is summarized below.

Creditors FOR				Creditors AGAINST				Results	
Votes	%	Value	%	Votes	%	Value	%	Votes	Value
9	100.0%	697,155	100.0%	0	0.0%	-	0.0%	*Approved*	*Approved*

The Trustee announced that the Amended Proposal was unanimously approved by the Debtor's unsecured creditors.

Inspectors

The Chairperson explained the role of an Inspector and asked if any creditor or other party wished to be appointed as an Inspector. Mr. Tegelaar, in his capacity as general proxy for CRA, made a motion to appoint Sabrina Missio an inspector. There were no objections from any other attendees.

Adjournment

Rene Tegelaar made a Motion to adjourn the meeting. The motion was seconded by Suzie Banwait. There were no objections.

DATED at Toronto, Ontario this 15th day of December 2023

ALBERT GELMAN INC., solely in its capacity as Trustee in *re* the Proposal of Prosysco Ltd. and not in its personal capacity

Digitally signed by Bryan Gelman

Per: Bryan Gelman, *CIRP, LIT*

APPENDIX “L”

District of: ON
Division No. 09 - Mississauga
Court No. 32-2929201
Estate No. 32-2929201

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Affidavit of Service

I, Ivy Chen, of the City of Toronto, in the Province of Ontario, an employee of Albert Gelman Inc., hereby make oath (or solemnly affirm) and say:

1. That on the 5th day of January 2024, I did cause to be sent by email, fax or by regular mail to all known creditors on the service list attached hereto as **Exhibit "A"**, the following document(s):
   a) **Exhibit "B"** titled Form 40.1 – Notice of Hearing of Application for Court Approval of Proposal

2. And that on the 5th day of January 2024, a copy of these documents were emailed to the corporate officer Terrence Scott at pchimko@prosyscoltd.com.

3. And on 5th day of January 2024 a copy of Form 40.1 – Notice of Hearing of Application for Court Approval of Proposal was e-filed with the Official Receiver. A copy of the e-filing confirmation is attached hereto as **Exhibit "C"**.

Sworn remotely by Ivy Chen at Toronto, Ontario }
before me at Stouffville, Ontario in accordance with }
O. Reg. 431/20, Administering Oath or Declaration }
Remotely, this 5th day of January 2024 }

Ivy Chen

A Commissioner of Oaths

Laurianne Valleau, Commissioner of Oaths
For the Province of Ontario
Expires February 1, 2026

This is **Exhibit "A"** referred to in

the Affidavit of Ivy Chen

Sworn by videoconference on this 5th day of January 2024

Commissioner for taking Affidavits

Laurianne Valleau, Commissioner of Oaths
For the Province of Ontario
Expires February 1, 2026

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Director	Terrence Scott		6101 Netherhart Road, 2 Mississauga ON L6S 4E4 pchimko@prosyscoltd.com	email
Deemed Trust Claim	CRA - Tax - Ontario		120951181RP0001 Shawinigan-Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-Sud QC G9P 5H9 Fax: (833) 697-2390	fax
Secured	BMW Canada Inc.	Financial Services Department	50 Ultimate Drive Richmond Hill ON L4S 0C8 Fax: (866) 217-1269	fax
	Canaccede International Acquisitions Ltd.	Janet Teare	PO Box 9 Stn B London ON N6A 4Y8 Fax: (416) 800-8753 insolvency@canaccede.com	email
	Ford Credit Canada Limited	Bankruptcy Department	Box 1800 RPO Lakeshore West Oakville ON L6K 0J8 Fax: (780) 443-5367 bbankrup@ford.com	email
	Honda Canada Finance Inc c/o BankruptcyHighway.com	Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2 Fax: (416) 253-3610 bankruptcydocuments@asset.net	email
	RBC Royal Bank		c/o Harrison Penza LLB, Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2 Fax: (519) 667-3362 thogan@harrisonpensa.com	email
	Toyota Credit Canada Incorporated	Anca, Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5 Fax: (800) 665-4948	fax
Unsecured	2289722 Ontario Inc.	Mike Putz	20 Wagar Road Cameron ON K0M 1G0 mputz@bell.net	email
	Abell Pest Control Inc		246 Attwell Drive Etobicoke ON M9W 5B4 tvair@abellgroup.com	email
	ACI Central Inc		PO Box 53 Charlottetown PE C1A 7K1 kcudmore@acicrn.com	email
	Acklands Grainger Inc		P.O. Box 2970 Winnipeg MB R3C 4B5 accountsreceivable@agi.ca	email
	Advanced Motion & Controls LTD		26 Saunders Road Barrie ON L4N 9A8 accounting@advancedmotion.com	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address	
Unsecured	Air Liquide		1700 Steeles Ave. E Bramalea ON L6T 1A6 eftcanada@airliquide.com	email
	Aird & Berlis LLP	Judy L. Zammit	Brookfield Place 181 Bay Street Suite 1800 Box 754 Toronto ON M5J 2T9 Fax: (416) 863-1515	fax
	Alantra Leasing		P.O. Box 4375, 98 Cougle Road Sussex NB E4E 5L5 accounts@alantraleasing.com	email
	Alectra Utilities (formerly Enersource Hydro)		55 John St N, 2nd Fl Hamilton ON L8R 3M8 Fax: (905) 522-6228 collectionagency@alectrautilities.com	email
	Alfa Laval Inc.	Zahra Akbari	c/o TH1301, P.O. Box 4290, Postal Station A Toronto ON M5W 0E1 Fax: (416) 253-8690 canada.accountsreceivables@alfalaval.com	email
	All Custom Gasket & Materials Ltd.		355 Watline Avenue Mississauga ON L4Z 1P3	mail
	Alpha Controls & Instrumentation		361 Steelcase Rd W, Suite 6 Markham ON L3R 3V8 ar@alphacontrols.com	email
	Ampco Pumps Co., Inc.		1155 Boul Rene-Levesque West, @ 2810 Montreal QC H3B 2L2 sophie.normandin@wulerhermes.com	mail
	Anderson Instrument Company, Inc.		PO Box 96060 Chicago IL 60693-6060 ar@anderson-negele.com	email
	ATCO Structures & Logistics Ltd.		65 Reive Blvd, PO Box 1089 Cookstown ON L0L1L0 ar@atcosl.com	email
	Atradius Collections		1 Robert Speck kwy, Suite 1430 Mississauga ON L4Z 3M3 yury.rachitsky@atrsius.com	mail
	AVCO (Alloy Valves and Control)		3210 S. Susan Steet Santa Ana CA 92704 jparra@avcovalve.com; accounting@avcovalve.com	email
	Aztec Electrical Supply Inc.		25 North Rivermede Rd. #4-10 Concord ON L4K 5V4 cspizzirri@aztecsupply.com	email
	BELTSERVICE CANADA COMPANY		C/O T10205CP.O. BOX 4918, STN A Toronto ON M5W 0C9 nburton@beltservice.com	email
	BERCON RENTALS		503 Carling view drive Etobicoke ON M8W5H2 ar@bercon.ca	email
	Blickle Canada Inc.		265 Avenue Liberte Candiac QC J5R 3X8 Fax: (450) 845-6262 info@blickle.ca	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
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Creditor Type	Name	Attention	Address	
Unsecured	BMW Canada Inc.	Financial Services Department	50 Ultimate Drive Richmond Hill ON L4S 0C8 Fax: (866) 217-1269	fax
	Brand Blvd		261 Martindale Road, Unit 5 St Catherines ON L2W 1A1 ar@brandblvd.ca	email
	Burkert Fluid Control Systems		11425 Mt. Holly-Huntersville Road Huntersville NC 28078 Chris.Bumgardner@burkert.com	email
	BURT PROCESS EQUIPMENT		100 Overlook Drive Hamden CT 16514 AR@burtprocess.com	email
	Business Systems Inc.		5800 Coopers Ave. Mississauga ON L5T 2J3 megan@busys.ca	email
	C.F.F. Stainless Steels		1840 Burlington Street, East Hamilton ON L8H 3L4 credit@cffstainless.com	email
	Canaccede International Acquisitions Ltd.	Janet Teare	PO Box 9 Stn B London ON N6A 4Y8 Fax: (416) 800-8753 insolvency@canaccede.com	email
	Cedar Springs		45 Villarboit Cres, # 2 Concord ON L4K 4R2 payments@cedarspringswater.com	email
	Chandler Industrial Supplies		1051 Brevik Place Mississauga ON L4W 3R7 michele@chandlerindustrial.com	email
	Cintas		23 Torlake Crescent Toronto ON M8Z 1B5 CADEFTRemits@cintas.com	email
	Colson Group Canada, Inc.		c/o Bank of America LBX 917150PO Box 4090 Stn A Toronto ON M5W 0E9 payments@colsongroupcanada.ca	email
	COMMERCIAL AIR COMPRESSOR LTD.		95 Konrad Crescent Markham ON L3R 8T8 jennifer@comm-air.com	email
	Concept Storage Solutions		1470 Creditstone Rd Vaughan ON L4K5W2 rsproviero@conceptstorage.com	email
	Contro Valve Equipment inc.		3375 North Service Road Units B4-B6 Burlington ON L7N 3G2 pgoswami@controvalve.com	email
	Core Industrial Gases Inc		395 Frankcom Street Ajax ON L1S 1R4 selvarajahw@coregases.ca	email
	CRA - Nova Scotia Tax Services Office - Halifax		PO Box 638 Halifax NS B3J 2T5 Fax: (866) 229-0839	fax
	Crown Industrial Roofing		227 Queens Plate Drive, Unit 3 Toronto, ON M9W 6Z7 accountspayable@crownroofing.ca	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
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Creditor Type	Name	Attention	Address	
Unsecured	CSI Equipment & Service		2700 N Partnership Blvd Springfield MO 65803 ar@csidesigns.com	email
	CWB National Leasing Inc./ (formerly National Leasing Group Inc)	Bankruptcy Designate	1525 Buffalo Pl Winnipeg MB R3T 1L9 Fax: (866) 408-4852 debtenforcement@cwbnationalleasing.com	email
	Dafco Filtration Group		1300 Aerowood Drive Mississauga ON L4W 1B7 estar@filtrationgroup.com	mail
	Dampney Company, Inc.		85 Paris Street Everett MA 12149	mail
	De Lage Landen Financial Services		001-0285270-000; 001-0257459-000 5046 Mainway Unit 1 Burlington ON L7L 5Z1 corporateca@dllgroup.com	email
	De Lage Landen Financial Services Canada Inc.		Printer & Forklift leases 3450 Superior Court Unit 1 Oakville ON L6L 0C4 csd.nl@dllgroup.com	mail
	Donaldson Company, Inc.		PO Box 207356 Dallas TX 75320-7356	mail
	Echelon General Insurance Company		300 - 2680 Matheson Blvd E Mississauga ON L4W 0A5 Fax: (905) 214-7881	fax
	Endress + Hauser Canada Ltd.	Suzie Banwait	1244 International Blvd. Burlington ON L7L 0K2 Fax: (905) 681-3736 suzie.banwait@endress.com	email
	Eri-son Instrumentation Services Corp.		32 Dawnridge Trail Brampton ON L6Z 2A1	mail
	EVOQUA Water Technologies Ltd.		P.O. Box 15738 STN A Toronto ON M5W 1C1 Electronicfunds@evoqua.com	email
	Fabco Plastics Wholesale		2175-A Teston Rd MAPLE ON L6A1T3 ar@sharedmanagement.ca	email
	Fastenal Canada - Kitchener		117 - 860 Trillium Drive Kitchener ON N2R 1K4 Fax: (519) 748-4230	mail
	Fastening House Inc.		160 Bass Pro Mills Dr. Vaughan ON L4K 0A7 ar@fasteninghouse.com	email
	Federal Express Canada Ltd		P.O. Box 4626 Toronto Station A Toronto ON M5W 5B4 caneftremit@fedex.com	email
	Ford Credit Canada Limited	Bankruptcy Department	Box 1800 RPO Lakeshore West Oakville ON L6K 0J8 Fax: (780) 443-5367 bbankrup@ford.com	email
	GENERATIONS CLEANING INC.		1129 Wentworth St-B3 OSHAWA ON L1J 8P7 ar@gcbsgroup.com	mail

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
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Creditor Type	Name	Attention	Address
Unsecured	GFL Environmental Inc.		39 Fenmar Drive North York ON M9L 1M1 email accountsreceivable@gflenv.com
	Gould Stainless Products Ltd.		1141, 6027 – 79 Avenue SE Calgary AB T2C 5P1 email ritar@gouldstainless.com
	GTI Roll Transportation Services Inc.		5020 Rue Fairway Lachine QC H8T 1B8 email arcashapplication@thegtigroup.com
	Hansler Smith Limited		P.O. BOX 310 Brockville ON K6V 5V5 email lpipe@hansler.com
	Honda Canada Finance Inc c/o BankruptcyHighway.com	Mike Timko	PO Box 57100 Etobicoke ON M8Y 3Y2 email Fax: (416) 253-3610 bankruptcydocuments@asset.net
	HOOPP Realty Inc.	Carol Liu	30687-t0024702-Prosysco Ltd 5750 Explorer Drive, Suite 402 Mississauga ON L4W 0A9 mail cliu@mindengross.com
	Impro		5265 General Road Mississauga ON L4W 2K4 email ar@polrcorp.com
	Inovinox USA, LLC		7875 SW 104 Street - Suite 103 Miami FL 33156 email sales@inovinox.us
	Intempco Controls Ltd		880 Selkirk Avenue Pointe-Claire QC H9R 3S3 email accounting@intempco.com
	ITM Instruments Inc.		16975 Leslie Street Newmarket ON L3Y 9A1 email information@ITM.com
	John Brooks Company Limited		2625 Meadowpine blvd. Mississauga ON L5N 7K5 email EFT@johnbrooks.ca
	KINEQUIP INC.		333 Wyecroft Rd. Unit 8 Oakville ON L6K 2H2 email ar@kinequip.com
	KJV Courier Service		3858 Chesswood Drive Downsview ON M3J 2W6 email lpileggi@kjvcourier.com
	KWO Ironworks		72 Shaefer Street Waterloo ON N2L 4C5 email ted@kwo-ironworks.com
	Line Process Controls Inc.		50 Venture Drive, Unit 8 mail Scarborough ON M1B 3L6 diane@lineprocess.com
	Livingston International		P.O. Box 5640Terminal A Toronto ON M5W 1P1 email epayment@livingstonintl.com
	LZR FIT Pressure Vessel Heads		1900 Ironoak Way Oakville ON L6H 0N1 email sam.chaney@samuel.com

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
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Creditor Type	Name	Attention	Address	
Unsecured	Max Precision Turning Inc.		349 Bowes Rd, Unit 24 Concord ON L4K 1J3 maxprecision@hotmail.com	email
	McMaster-Carr		200 Aurora Industrial Parkway Aurora OH 44202 USA remittance.processing@mcmaster.com	email
	Meridian Onecap Credit Corporation (formerly Roynat Lease Finance - Toronto)		650424 PO Box 30597 RPO Madison Burnaby BC V5C 6J5 collections@meridianonecap.ca	email
	Minister of Finance (PEI)		31 Gordon Drive Charlottetown PE C1A 6B8	mail
	MISTRAS Services Inc.		C/O Lockbox 915890P.O. Box 4090 STN A Toronto ON M5W 0E0 canadaremit@mistrasgroup.com	email
	MOBILE MINI STORAGE SOLUTIONS		73 BROWNS LINE TORONTO ON M8W 3S2 cashdept@mobilemini.com	email
	Newman Sanitary Gasket Co		964 W Main St Lebanon OH 45036 USA Fax: (513) 932-4493	fax
	Noble Corporation		7171 Jane Street Concord ON L4K 1A7 pang@moble.ca	email
	OMOF- Ontario Ministry of Finance		11th Floor 777 Bay St Toronto ON M5G 2C8 Fax: (416) 325-1460 Insolvency.Unit@ontario.ca	email
	Ontario Hose Specialties Inc.		7245 Pacific Circle Mississauga ON L5T 1V1 ar@ontariohose.com	email
	ONYX FIRE PROTECTION SERVICES INC.		400 Matheson Blvd West Mississauga ON L5R 0H1 ar@onyx-fire.com	email
	Original Power Tool Co. Ltd.		7508 Bath Rd. Mississauga ON L4T 1L2 lynda@originalpower.ca	email
	PORTA-PLUS PORTABLES		210 SUMMERFIELD DRIVE GUELPH ON N1L1L3 accounting@portaplusportables.com	email
	PowerOn Computer Systems		35 West Pearce St. Unit 36 Richmond Hill ON L4B 3A9 info@poweroncomputers.com	email
	Province Electric Supply		425-6 Superior Blvd Mississauga ON L5T 2W5 receivables@province-electric.com	email
	Purolator Inc.		P.O. Box 1100Etobicoke Postal Stn A Etobicoke ON M9C 5K2 paymentremit@purolator.com	email
	Qualtech Distribution		7795 Raoul-Lassonde St-Hyacinthe QC J2R 1E4 tania@distributionqualtech.com	email

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	Ram Imaging Products Inc.		1040 Martin Grove Rd.Unit 6 Etobicoke ON M9W 4W4 email nmueller@ramimaging.ca
	RBC Royal Bank		c/o Harrison Penza LLB, Tim Hogan 130 Dufferin Ave Suite 1101 London ON N6A 5R2 email Fax: (519) 667-3362 thogan@harrisonpensa.com
	Rolark Stainless Steel Inc.		71 Conair Parkway Woodbridge ON L4H 0S4 email ar@rolark.com
	Rudy's Machine Ltd		2901 Greenfield Rd Ayr ON N0B 1E0 email koleksinski@duny.ca
	S.B. Simpson		3210 Mainway Burlington ON L7M 1A5 email jhague@sbsimpson.com
	SAMSON Controls Inc.		1-105 Riviera Drive Markham ON L3R 5J7 email accounting-ca@samsongroup.com
	Sarnia Piping Specialties Ltd		765 Evett StreetP.O. Box 2018 Sarnia ON N7T 7L1 email tracy@spssales.com
	Solid Caddgroup Inc.		201- 1325 Polson Drive Vernon BC V1T 8H2 email Fax: (905) 474-1899 info@solidcad.ca
	Spark Power Low Voltage Services Inc.		former New Electric Enterprises Inc. ATTN: Legal Department 1337 North Service Road East, Suite 200 email Oakville ON L6H 1A7 paul.demarco@sparkpowercorp.com plefko@sparkpowercorp.com
	Spirax Sarco Canada		383 Applewood Cres Concord ON L4K 4J3 email ar@spirax.ca
	Stanley Manufacturing Company		230 Bartley Dr. email Toronto ON M4A 1G3 accounting@stanleymfg.com
	Staples Business Advantage		c/o T04446CPO Box 4446, STN A mail Toronto ON M5W 4A2
	Steel & O'Brien Manufacturing, Inc		Department 2250 PO Box 986500 Boston MA 02298-6500 email AR@steelobrien.com
	Stonhard		95 Sunray Street Whitby ON L1N 9C9 email canada@stoncor.com
	Sunbelt Rentals of Canada		535 Welham Road Barrie ON L4N 8Z6 email areft.canada@sunbeltrentals.com
	Syntiro Dynamics, LLC.		P.O. Box 1154 Wall NJ 17719 email accounts@syntirocorp.com
	T.A. Networks Inc.		6750 Davand Drive #9 Mississauga ON L5T 2L8 email ap@tanetworks.ca

Creditor Mailing List

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Creditor Type	Name	Attention	Address
Unsecured	THE PRINT HOUSE		6155 Tomken Road Unit 5 MISSISSAUGA ON L5T1X3 tphcustomerpayments@tph.ca; bfrancis@tph.ca email
	Toyota Credit Canada Incorporated	Anca, Bankruptcy Desk	200 - 80 Micro Court Markham ON L3R 9Z5 Fax: (800) 665-4948 fax
	Triovest Realty Advisors Inc.		Landlord-8 Prologis blvd 103-400 40 University Avenue, Suite 1200 Toronto, ON M5J 1T1 ssulku@triovest.com email
	United Rentals of Canada, Inc.		C/O T52638P.O. BOX 4526, POSTAL STATION A Toronto ON M5W 5Z9 eft@ur.com email
	Valutech		10-3761 Victoria Park Avenue Toronto ON M1W 3S3 lori@valutechinc.com email
	Vault Credit Corporation		5 - 41 Scarsdale Rd Toronto ON M3B 2R2 support@vaultcredit.ca email
	Vault Credit Corporation		lease 5 - 41 Scarsdale Rd Toronto ON M3B 2R2 support@vaultcredit.ca email
	voestalpine Bohler Welding Group		1745 Meyerside Dr. Units 1-3 Mississauga ON L5T 1C6 janine.boynton@voestalpine.com mail
	Wachs Canada Inc.		a Division of ITW Canada Inc.PO Box 57539 STN A Toronto ON M5W 5M5 arcanada@itw-ocw.com email
	Watson Marlow		383 Applewood Crescent Concord ON L4K 4J3 accounting.ca@wmftg.com email
	Weston Valve & Fitting Ltd.		6471 Edwards Boulevard Mississauga ON L5T 2V2 ar@soac.swagelok.com email
	WIKA Instruments Ltd.		#1, 2679 Bristol Circle Oakville ON L6H 6Z8 Paula.Charbonneau@wika.com mail
	Yula Corp. Heat Exchanger Specialtists		330 Bryant Ave Bronx NY 10474-7113 matt.feldman@yulacorp.com email

Ivy Chen

From: Ivy Chen
Sent: January 5, 2024 11:21 AM
To: pchimko@prosyscoltd.com
Subject: RE: Notice of Hearing of Application for Court Approval Proposal
Attachments: Form 40.1 - Notice Hearing PROSYSCO.docx.pdf

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Hi Terrence,

Please see the attached a copy of the Notice of Hearing of Application for Court Approval Proposal for your records.

Best Regards,

Ivy Chen, B.A., LL.B.,
Estate Administrator

ALBERT GELMAN
SOLVING INSOLVENCY

Albert Gelman Inc. I T: 416-504-1650 ext. 124# I F: 416-504-1655 I E: ichen@albertgelman.com I
403 – 250 Ferrand Dr., Toronto, ON M3C 3G8 (**New Address**)

Office Locations: Toronto/Mississauga (ON), Edmonton (AB) and Vancouver (BC)
http://albertgelman.com/financialsolutions/locations/

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RE: Notice of Hearing of Application for Court Approval Proposal

Reply | Reply All | Forward

Ivy Chen

To Ivy Chen

Bcc insolvency@canaccede.com; bbankrup@ford.com; bankruptcydocuments@asset.net; thogan@harrisonpensa.com; mputz@bell.net; tvair@abellgroup.com; kcudmore@acicm.com; accountsreceivable@aqi.ca; accounting@advancedmotion.com; eftcanada@airliquide.com; accounts@alantraleasing.com; collectionagency@alectrautilities.com; canada.accountsreceivables@alfalaval.com; ar@alphacontrols.com; sophie.normandin@wulerhermes.com; ar@anderson-negele.com; ar@atcosl.com; yury.rachitsky@atrsius.com; jparra@avcovale.com; accounting@avcovalve.com; cspizzirri@aztecsupply.com; nburton@beltservice.com; ar@bercon.ca;

Form 40.1 - Notice Hearing PROSYSCO.docx.pdf
141 KB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditor,

Please see the attached a copy of the Notice of Hearing of Application for Court Approval Proposal for the above debtor.

Best Regards,

Ivy Chen, B.A., LL.B.,
Estate Administrator

File Message Help

Delete Archive | Reply | Reply All | Forward | Share to Teams | All Apps | Auto Loans | To Manager | Team Email | Move | Tags | Editing | Immersive | Translate | Zoom | Reply with Scheduling Poll | Send to OneNote

Delete | Respond | Teams | Apps | Quick Steps | Move | Language | Zoom | Find Time | OneNote

RE: Notice of Hearing of Application for Court Approval Proposal

Reply | Reply All | Forward

Ivy Chen
To Ivy Chen
Bcc info@blickle.ca; ar@brandblvd.ca; chris.bumgardner@burkert.com; ar@burtprocess.com; megan@busys.ca; credit@cffstainless.com; payments@cedarspringswater.com; michele@chandlerindustrial.com; cadeftremits@cintas.com; payments@colsongroupcanada.ca; jennifer@comm-air.com; rsproviero@conceptstorage.com; pgoswami@controvalve.com; selvarajahw@coregases.ca; accountspayable@crownroofing.ca; ar@csidesigns.com; debtenforcement@cwbnationalleasing.com; estar@filtrationgroup.com; corporateca@dllgroup.com; csd.nl@dllgroup.com; suzie.banwait@endress.com;

Form 40.1 - Notice Hearing PROSYSCO.docx.pdf
141 KB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditor,

Please see the attached a copy of the Notice of Hearing of Application for Court Approval Proposal for the above debtor.

Best Regards,

Ivy Chen, B.A., LL.B.,
Estate Administrator

Delete Archive | Reply | Reply All | Forward | Share to Teams | All Apps | Auto Loans | To Manager | Team Email | Move | Tags | Editing | Immersive | Translate | Zoom | Reply with Scheduling Poll | Send to OneNote

Delete | Respond | Teams | Apps | Quick Steps | Move | Language | Zoom | Find Time | OneNote

RE: Notice of Hearing of Application for Court Approval Proposal

Reply | Reply All | Forward

IC

Ivy Chen

To Ivy Chen

Bcc electronicfunds@evoqua.com; ar@sharedmanagement.ca; ar@fasteninghouse.com; caneftremit@fedex.com; ar@gsbsgroup.com; accountsreceivable@gflenv.com; ritar@gouldstainless.com; arcashapplication@thegtigroup.com; lpipe@hansler.com; cliu@mindengross.com; ar@polrcorp.com; sales@inovinox.us; accounting@intempco.com; information@itm.com; eft@johnbrooks.ca; ar@kinequip.com; lpileggi@kjvcourier.com; ted@kwo-ironworks.com; diane@lineprocess.com; epayment@livingstonintl.com; sam.chaney@samuel.com; maxprecision@hotmail.com; remittance.processing@mcmaster.com; collections@meridianonecap.ca;

Form 40.1 - Notice Hearing PROSYSCO.docx.pdf
141 KB

<u>Prosysco Ltd. - Corporate Proposal</u>
<u>Date of Filing: April 1, 2023</u>
<u>Estate # 32-2929201</u>

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Estate Administrator

Delete Archive | Reply | Reply All | Forward | Share to Teams | All Apps | Auto Loans | To Manager | Team Email | Move | Tags | Editing | Immersive | Translate | Zoom | Reply with Scheduling Poll | Send OneN

Delete | Respond | Teams | Apps | Quick Steps | Move | Language | Zoom | Find Time | OneN

RE: Notice of Hearing of Application for Court Approval Proposal

Reply | Reply All | F

Ivy Chen
To Ivy Chen
Bcc canadaremit@mistrasgroup.com; cashdept@mobilemini.com; pang@moble.ca; Unit. Insolvency (MOF; ar@ontariohose.com; ar@onyx-fire.com; lynda@originalpower.ca; accounting@portaplusportables.com; I.T. Support; receivables@province-electric.com; paymentremit@purolator.com; tania@distributionqualtech.com; nmueller@ramimaging.ca; ar@rolark.com; koleksinski@duny.ca; jhague@sbsimpson.com; accounting-ca@samsongroup.com; tracy@spssales.com; info@solidcad.ca; paul.demarco@sparkpowercorp.com; plefko@sparkpowercorp.com; ar@spirax.ca; accounting@stanleymfg.com;

Form 40.1 - Notice Hearing PROSYSCO.docx.pdf
141 KB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

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Estate Administrator

File Message Help

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Delete | Respond | Teams | Apps | Quick Steps | Move | Language | Zoom | Find Time | OneNote

RE: Notice of Hearing of Application for Court Approval Proposal

Reply | Reply All | Forw

Ivy Chen
To Ivy Chen
Fri

Bcc tracy@spssales.com; info@solidcad.ca; paul.demarco@sparkpowercorp.com; plefko@sparkpowercorp.com; ar@spirax.ca; accounting@stanleymfg.com; ar@steelobrien.com; canada@stoncor.com; areft.canada@sunbeltrentals.com; accounts@syntirocorp.com; ap@tanetworks.ca; tphcustomerpayments@tph.ca; bfrancis@tph.ca; ssulku@triovest.com; eft@ur.com; lori@valutechinc.com; support@vaultcredit.ca; janine.boynton@voestalpine.com; arcanada@itw-ocw.com; accounting.ca@wmftg.com; ar@soac.swagelok.com; paula.charbonneau@wika.com; matt.feldman@yulacorp.com

Form 40.1 - Notice Hearing PROSYSCO.docx.pdf
111 KB

Prosysco Ltd. - Corporate Proposal
Date of Filing: April 1, 2023
Estate # 32-2929201

Dear Creditor,

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Ivy Chen, B.A., LL.B.,
Estate Administrator

Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:00 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 800-665-4948, Re:
Attachments:	262232_20240105085741-2193_3_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:57 AM**
Recipient Fax:	**1 800-665-4948**
Remote Fax ID:	
# of Pages Sent:	**1 of 1 (Call Length: 0:30)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
Division No.: 09-Mississauga
Court No.: 32-2929201
Estate No 32-2929201

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

In the Matter of the Proposal of
Prosysco Ltd
of the City of Mississauga, in the Province of Ontario

In the matter of the proposal of Prosysco Ltd. , a debtor

Take notice that an application will be made to the court on January 24, 2024 at 10 a.m. to approve the proposal of Prosysco Ltd. , accepted by the creditors at a meeting held on December 4, 2023

The Court has advised the Proposal Trustee that the hearing will be held by Zoom

Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:00 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 866-229-0839, Re:
Attachments:	262232_20240105085741-2193_6_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:57 AM**
Recipient Fax:	**1 866-229-0839**
Remote Fax ID:	**Fax Server**
# of Pages Sent:	**1 of 1 (Call Length: 0:33)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
Division No.: 09-Mississauga
Court No.: 32-2929201
Estate No. 32-2929201

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Ivy Chen

From: SRFax Delivery Notification <fax@srfax.com>
Sent: January 5, 2024 12:00 PM
To: Fax; Ivy Chen
Subject: SRFax Transmission Successful to 1 833-697-2390, Re:
Attachments: 262232_20240105085741-2193_1_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:58 AM**
Recipient Fax:	**1 833-697-2390**
Remote Fax ID:	**Fax Server**
# of Pages Sent:	**1 of 1 (Call Length: 0:33)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
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Estate No. 32-2929201

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Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:00 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 416-863-1515, Re:
Attachments:	262232_20240105085741-2193_4_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:58 AM**
Recipient Fax:	**1 416-863-1515**
Remote Fax ID:	
# of Pages Sent:	**1 of 1 (Call Length: 0:33)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
Division No : 09-Mississauga
Court No.: 32-2929201
Estate No. 32-2929201

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Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:00 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 866-217-1269, Re:
Attachments:	262232_20240105085741-2193_2_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:58 AM**
Recipient Fax:	**1 866-217-1269**
Remote Fax ID:	
# of Pages Sent:	**1 of 1 (Call Length: 0:35)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
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Court No.: 32-2929201
Estate No 32-2929201

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Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:01 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 905-214-7881, Re:
Attachments:	262232_20240105085741-2193_7_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:58 AM**
Recipient Fax:	**1 905-214-7881**
Remote Fax ID:	
# of Pages Sent:	**1 of 1 (Call Length: 1:04)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
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Court No.: 32-2929201
Estate No. 32-2929201

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Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:01 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 866-217-1269, Re:
Attachments:	262232_20240105085741-2193_5_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:58 AM**
Recipient Fax:	**1 866-217-1269**
Remote Fax ID:	
# of Pages Sent:	**1 of 1 (Call Length: 0:35)**

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Preview of Page 1.

District of: ON
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Estate No. 32-2929201

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Ivy Chen

From:	SRFax Delivery Notification <fax@srfax.com>
Sent:	January 5, 2024 12:01 PM
To:	Fax; Ivy Chen
Subject:	SRFax Transmission Successful to 1 513-932-4493, Re:
Attachments:	262232_20240105085741-2193_9_01.pdf

Transmission Status:	**Sent**
Subject:	
Ref. Code:	
Sender:	**905-415-9874 (ichen@albertgelman.com)**
Fax Sent:	**Jan 05, 2024 11:58 AM**
Recipient Fax:	**1 513-932-4493**
Remote Fax ID:	**5139324493**
# of Pages Sent:	**1 of 1 (Call Length: 0:33)**

Open the attached file to view faxed document.

Preview of Page 1.

District of: ON
Division No : 09-Mississauga
Court No.: 32-2929201
Estate No 32-2929201

FORM 40.1
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This is **Exhibit "B"** referred to in

the Affidavit of Ivy Chen

Sworn by videoconference on this 5th day of January 2024

Commissioner for taking Affidavits
Laurianne Valleau, Commissioner of Oaths
For the Province of Ontario
Expires February 1, 2026

District of: ON
Division No.: 09-Mississauga
Court No.: 32-2929201
Estate No. 32-2929201

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The Court has advised the Proposal Trustee that the hearing will be held by Zoom.

Any notices in relation to the hearing can be forwarded to:

A. Toronto Bankruptcy Court, by email at Toronto.bankruptcy@ontario.ca with a copy to the Trustee; and,

B. Albert Gelman Inc., by email at bgelman@albertgelman.com.

Dated at the City of Toronto in the Province of Ontario, this January 4, 2024

Albert Gelman Inc. - Licensed Insolvency Trustee

250 Ferrand Drive, Suite 403
Toronto ON M3C 3G8
Phone: (416) 504-1650 Fax: (416) 504-1655

This is **Exhibit "C"** referred to in

the Affidavit of Ivy Chen

Sworn by videoconference on this 5th day of January 2024

Commissioner for taking Affidavits

Laurianne Valleau, Commissioner of Oaths

For the Province of Ontario

Expires February 1, 2026

Government of Canada | Gouvernement du Canada

Update filing - update is confirmed

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 32-2929201
- **Estate Name:** Prosysco Ltd.

Document(s) submitted

The following document(s) have been successfully submitted

- Form 40.1 Notice of Hearing of Application for Court Approval of Proposal

Reference

- The Reference Number for this transaction is: **21826402**.
- Submitted by Ivy Chen.
- 2024-01-05 10:48 EST

Submit another document for this estate.
If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified: 2023-12-13

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Court File No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

AFFIDAVIT OF SERVICE

ALBERT GELMAN INC.
60 Shaftesbury Avenue
Toronto, Ontario
M4T 1A3

Trustee: Bryan Gelman
(416) 504-1650 - 115
bgelman@albertgelman.com

APPENDIX “M”

Claims Register

In the Matter of the Proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

Estate Number: 32-2929201

	Creditor Name	*Proof of Claim?*	*SOA Amount*	*Amount Filed*
Secured creditors				
1.	BMW Canada Inc. Attn: Financial Services Department	No		
2.	Canaccede International Acquisitions Ltd. Attn: Janet Teare	No		
3.	Ford Credit Canada Limited Attn: Bankruptcy Department	No		
4.	Honda Canada Finance Inc c/o BankruptcyHighway.com Attn: Mike Timko	No		
5.	RBC Royal Bank	Yes	2,418,761.59	2,390,403.50
6.	Toyota Credit Canada Incorporated Attn: Anca, Bankruptcy Desk	No		
	Total	Secured creditors	2,418,761.59	2,390,403.50
Unsecured creditors				
1.	2289722 Ontario Inc. Attn: Mike Putz	Yes	300,000.00	300,000.00
2.	Abell Pest Control Inc	No	523.20	
3.	ACI Central Inc	No	1,094.14	
4.	Acklands Grainger Inc.	No	2,176.97	
5.	Advanced Motion & Controls LTD	No	5,308.15	
6.	Air Liquide	No	3,727.28	
7.	Aird & Berlis LLP Attn: Judy L. Zammit	No	7,083.83	
8.	Alantra Leasing	No	4,156.10	
9.	Alectra Utilities (formerly Enersource Hydro)	Yes		5,861.19
10.	Alfa Laval Inc. Attn: Zahra Akbari	No	81,487.01	
11.	All Custom Gasket & Materials Ltd.	No	240.13	
12.	Alpha Controls & Instrumentation	No	3,227.96	
13.	Ampco Pumps Co., Inc.	Yes	44,214.63	32,273.45
14.	Anderson Instrument Company, Inc.	No	12,884.25	
15.	ATCO Structures & Logistics Ltd.	No	1,118.70	
16.	Atradius Collections	Yes		25,335.35
17.	AVCO (Alloy Valves and Control)	No	70,958.97	
18.	Aztec Electrical Supply Inc.	No	16,959.74	
19.	BELTSERVICE CANADA COMPANY	No	563.60	
20.	BERCON RENTALS	No	6,611.63	

21.	Blickle Canada Inc.	Yes	8,013.26	8,013.26
22.	BMW Canada Inc. Attn: Financial Services Department	No	1.00	
23.	Brand Blvd	No	2,432.77	
24.	Burkert Fluid Control Systems	Yes	444,427.65	444,427.65
25.	BURT PROCESS EQUIPMENT	No	2,842.23	
26.	Business Systems Inc.	No	1,295.69	
27.	C.F.F. Stainless Steels	No	91,080.22	
28.	Canaccede International Acquisitions Ltd. Attn: Janet Teare	No	1.00	
29.	Cedar Springs	No	465.40	
30.	Chandler Industrial Supplies	No	10,193.23	
31.	Cintas	No	7,747.77	
32.	Colson Group Canada, Inc.	No	411.29	
33.	COMMERCIAL AIR COMPRESSOR LTD.	No	11,733.59	
34.	Concept Storage Solutions	No	1,331.05	
35.	Contro Valve Equipment inc.	No	11,276.27	
36.	Core Industrial Gases Inc	No	8,751.89	
37.	CRA - Nova Scotia Tax Services Office - Halifax	No	255.00	
38.	Crown Industrial Roofing	No	9,525.90	
39.	CSI Equipment & Service	No	146,499.44	
40.	CWB National Leasing Inc./ (formerly National Leasing Group Inc) Attn: Bankruptcy Designate	No	1.00	
41.	Dafco Filtration Group	No	1,509.59	
42.	Dampney Company, Inc.	No	1,563.98	
43.	De Lage Landen Financial Services Canada Inc. Printer & Forklift leases	No	1.00	
44.	De Lage Landen Financial Services 001-0285270-000; 001-0257459-000	No	15,200.85	
45.	Donaldson Company, Inc.	No	19,193.95	
46.	Echelon General Insurance Company	No	1.00	
47.	Endress + Hauser Canada Ltd. Attn: Suzie Banwait	Yes	1.00	56,205.21
48.	Eri-son Instrumentation Services Corp.	No	565.00	
49.	EVOQUA Water Technologies Ltd.	No	1.00	
50.	Fabco Plastics Wholesale	No	20,713.56	
51.	Fastenal Canada - Kitchener	No	655.85	
52.	Fastening House Inc.	No	3,155.30	
53.	Federal Express Canada Ltd	No	306.61	
54.	Ford Credit Canada Limited Attn: Bankruptcy Department	No	1.00	
55.	GENERATIONS CLEANING INC.	No	4,208.07	
56.	GFL Environmental Inc.	No	1,411.68	
57.	Gould Stainless Products Ltd.	No	656.36	

58.	GTI Roll Transportation Services Inc.	No	17,991.55	
59.	Hansler Smith Limited	No	2,006.96	
60.	Honda Canada Finance Inc c/o BankruptcyHighway.com Attn: Mike Timko	No	1.00	
61.	HOOPP Realty Inc. Attn: Carol Liu 30687-t0024702-Prosysco Ltd	Yes	804,000.00	2,758,102.35
62.	Impro	No	3,145.85	
63.	Inovinox USA, LLC	No	7,147.54	
64.	Intempco Controls Ltd	No	463.30	
65.	ITM Instruments Inc.	No	464.76	
66.	John Brooks Company Limited	No	59,274.29	
67.	KINEQUIP INC.	No	9,257.38	
68.	KJV Courier Service	No	1.00	
69.	KWO Ironworks	Yes		14,718.25
70.	Line Process Controls Inc.	No	8,233.52	
71.	Livingston International	No	19,832.86	
72.	LZR FIT Pressure Vessel Heads	Yes	61,486.39	61,486.39
73.	Max Precision Turning Inc.	No	932.25	
74.	McMaster-Carr	Yes	4,183.87	3,220.11
75.	Meridian Onecap Credit Corporation (formerly Roynat Lease Finance - Toronto) 650424	No	27,692.61	
76.	Minister of Finance (PEI)	No	667.00	
77.	MISTRAS Services Inc.	No	3,554.99	
78.	MOBILE MINI STORAGE SOLUTIONS	No	1,434.83	
79.	Newman Sanitary Gasket Co	No	312.48	
80.	Noble Corporation	Yes	7,455.64	7,329.58
81.	OMOF- Ontario Ministry of Finance	Yes	116,655.19	170,605.90
82.	Ontario Hose Specialties Inc.	No	1,198.36	
83.	ONYX FIRE PROTECTION SERVICES INC.	No	2,066.42	
84.	Original Power Tool Co. Ltd.	No	823.81	
85.	PORTA-PLUS PORTABLES	No	1,073.50	
86.	PowerOn Computer Systems	Yes	2,196.73	2,196.73
87.	Province Electric Supply	No	12,169.71	
88.	Purolator Inc.	No	1.00	
89.	Qualtech Distribution	Yes	12,706.85	12,706.85
90.	Ram Imaging Products Inc.	Yes	937.50	937.50
91.	RBC Royal Bank	Yes	91,209.04	
92.	Rolark Stainless Steel Inc.	No	25,333.35	
93.	Rudy's Machine Ltd	No	1.00	
94.	S.B. Simpson	Yes	91.77	91.77
95.	SAMSON Controls Inc.	No	48,672.52	

96.	Sarnia Piping Specialties Ltd	No		1.00	
97.	Solid Caddgroup Inc.	No		1.00	
98.	Spark Power Low Voltage Services Inc.	No		5,299.70	
99.	Spirax Sarco Canada	No		49,549.07	
100.	Stanley Manufacturing Company	No		1,182.10	
101.	Staples Business Advantage	No		7,753.15	
102.	Steel & O'Brien Manufacturing, Inc	No		410.03	
103.	Stonhard	No		14,520.50	
104.	Sunbelt Rentals of Canada	Yes		14,649.32	18,947.84
105.	Syntiro Dynamics, LLC.	No		2,197.96	
106.	T.A. Networks Inc.	No		4,576.71	
107.	THE PRINT HOUSE	No		441.18	
108.	Toyota Credit Canada Incorporated Attn: Anca, Bankruptcy Desk	No		1.00	
109.	Triovest Realty Advisors Inc. Landlord-8 Prologis blvd 103-400	No		184,638.01	
110.	United Rentals of Canada, Inc.	No		2,744.10	
111.	Valutech	No		16,868.64	
112.	Vault Credit Corporation	No		100,000.00	
113.	Vault Credit Corporation lease	No		1.00	
114.	voestalpine Bohler Welding Group	No		2,880.20	
115.	Wachs Canada Inc.	No		9,122.64	
116.	Watson Marlow	Yes		62,026.03	62,026.03
117.	Weston Valve & Fitting Ltd.	No		57,022.12	
118.	WIKA Instruments Ltd.	No		1.00	
119.	Yula Corp. Heat Exchanger Specialtists	Yes		84,803.00	86,568.90
	Total	Unsecured creditors		3,365,134.02	4,071,054.31

Deemed Trust Claim

1.	CRA - Tax - Ontario 120951181RP0001	Yes	Admitted	1,631,000.07	1,631,007.07
	Total	Deemed Trust Claim		1,631,000.07	1,631,007.07
			Grand Total:	7,414,895.68	8,092,464.88

January 6, 2024

APPENDIX “N”

District of Ontario
Division No. 09 - Mississauga
Estate No. 32-2929201
Court No. 32-2929201

In the matter of the proposal of
Prosysco Ltd.
of the City of Mississauga, in the Province of Ontario

TRUSTEE'S REPORT ON PROPOSAL
(Office of the Superintendent of Bankruptcy Directive No. 24)

The purpose of this report is to provide the creditors of Prosysco Ltd. ("**Prosysco**" or the "**Company**") with sufficient information in order for them to properly consider the impact that the Proposal prepared pursuant to Part III Division I of the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**") will have on them versus the impact on them in the event that the Company is deemed or otherwise becomes bankrupt. The Proposal was filed with the Official Receiver on September 14, 2023.

Albert Gelman Inc. (the "**Trustee**") has consented to act as Trustee in the Proposal.

Section A – Introduction and Background

The Company is a privately held corporation which was incorporated pursuant to the laws of the province of Ontario on March 4, 1988. Prosysco is a supplier of highly specialized engineered process solutions and is certified and equipped to manufacture process equipment, process vessels and high purity piping systems in-house. Its clients principally include companies in the biotech, pharmaceutical, food, beverage and dairy industries. Prosysco employs approximately 60 employees. Prosysco operates from its leased premises located at 360 Ambassador Drive, Mississauga, Ontario.

Pursuant to a corporation profile report obtained by the Trustee with an effective date of September 12, 2023, Alan Chimko is the sole director of Prosysco. Terrence Scott, President of Prosysco, is the designated officer of Prosysco for the administration of the Proposal. Prosysco filed a notice of intention to make a proposal ("**NOI**") pursuant to the BIA on April 1, 2023 (the "**NOI Date**").

1110615 Ontario Ltd. ("**111Co.**") is the majority shareholder of Prosysco. The 111Co. also filed a NOI on the NOI Date and subsequently filed a Proposal on September 14, 2023.

Prior to the NOI Date, Prosysco's senior secured creditor, the Royal Bank of Canada ("**RBC**"), sent its Notice of Intention to Enforce Security ("**NITES**") pursuant to section 244 of the BIA to each of Prosysco and 111Co. As of the NOI Date Prosysco was indebted to RBC in the amount of approximately CDN$2.4 million and US$305,000 (defined below as the RBC Debt). Further details regarding the RBC Debt are set out below.

As of the NOI date Prosysco was indebted to the CRA in respect of unremitted payroll source deduction in the amount of approximately $1,631,000 ("**CRA Deemed Trust**").

As a result of both the CRA Deemed Trust and the enforcement activities taken by RBC, Prosysco filed the NOI.

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After the NOI Date the Court granted each of Prosysco and 111Co. several extensions of time to make a proposal further extending the NOI period. The motion records along with the Court Orders and the Trustee's reports are being maintained on the Trustee's Case website: https://www.albertgelman.com/corporate-solutions/other-engagements/.

On September 14, 2023, Prosysco filed a Proposal to its creditors in accordance with Part III Division I of the BIA with the Trustee (the "**Proposal**").

Approval of Prosysco's Proposal is contingent upon the creditors of 111Co. and the Court approving 111Co's proposal.

If the Proposal is accepted at the Creditor Meeting (defined below) by the requisite majorities of secured and unsecured creditors, respectively, the Trustee will then make an application to the Court for approval of the Proposal. Upon the Court approving the Proposal[1], the Proposal will be binding upon (a) all unsecured creditors with provable claims; and, (b) all secured creditors to whom the Proposal was made. If the Proposal is rejected by either the Company's unsecured or secured creditors, or is not approved by the Court, the Company will be deemed to have made an assignment in bankruptcy.

In order for creditors to fairly consider the Proposal, it is necessary to understand the Company's financial situation and the events which have led up to the filing of the Proposal.

Section B – Summary of Proposal

The payment terms of the Proposal require Prosysco to make the following payments:

a) equal monthly instalments of $67,958.33 each, for each of the first 23 months following Court approval, plus one payment of $67,958.48 in the 24th month following Court approval. These payments to CRA are in respect of the CRA Deemed Trust and will be made directly to the CRA;
b) payment in full of the RBC Debt by way of reductions of the Company's RBC revolving operating facility within 24 months of Court approval of the Proposal; and,
c) equal monthly instalments of $20,833.33 each for a period of 12 months to the Trustee commencing in the 25th month following Court approval of the Proposal (the "**Proposal Fund**").

The Proposal Fund will be distributed by the Trustee to the Company's unsecured creditors. A summary of the Company's unsecured creditors is set out in the Company's statement of Affairs sworn on September 14, 2023 ("**SOA**").

Related party creditors have agreed not to file claims in the Proposal and will not share in a distribution of the Proposal Fund.

Section C – Financial Position and Causes of Difficulties

Financial Position

The Company's management has prepared a cash flow projection for the period from September 1, 2023 through August 31, 2025. Based on this cash flow projection, including its assumptions, Prosysco will have sufficient working capital to fund its ongoing operations and make the monthly

[1]The *Bankruptcy and Insolvency Act* sets out all of the items the Court must consider in its decision to either approve or refuse a proposal.

installment payments in respect of the Deemed Trust Claim and Proposal Fund. In order to repay the RBC Debt within 24 month of Court approval of the Proposal, the Company will utilize a combination of accumulated working capital and equity or debt financing. Prosysco will be continuing to operate in the normal course during these restructuring proceedings.

Section D – Interim Receiver

Not applicable.

Section E – Identification and Evaluation of Assets

In considering Prosysco's Proposal, it is important to understand the value of the Company's assets in the event of a bankruptcy. Set out below is a summary of the estimated value of Prosysco's assets as set out in the Company's SOA. A copy of the SOA is included with this report.

Asset Category	SOA Value ($)
Accounts Receivable	1,599,852
Cash	311,400
Vehicles	1
Machinery and Equipment	294,875
Inventories	212,634
Less: CRA Deemed Trust Claim	(1,631,000)
Less: RBC Secured Claim	(2,807,312)
Net Realizable Value for Unsecured Creditors (nil if negative)	nil

The Company's material assets include its accounts receivable, cash on hand, inventory, vehicles and machinery and equipment ("**Operating Assets**"). As set out in the schedule above, the Operating Assets are fully encumbered; firstly in favour of CRA in respect of the Deemed Trust Claim and, secondly in favour of RBC in respect of the RBC Security (defined below). In a bankruptcy scenario it is anticipated that RBC will suffer a shortfall on its secured debt and there will be no distribution to other secured creditors or unsecured creditors from the realizations of the Operating Assets. Details regarding each of the specific Operating Assets are set out below.

Accounts Receivable

The net book value of the Company's accounts receivable as of the SOA date is set out in the schedule above.

Cash on Hand

As of August 31, 2023 the balance in the Company's RBC accounts were CDN307,311.21 and US$2,984.36 (converted to $CDN using an exchange rate of 1.37).

Vehicles

The Company leases or finances several vehicles. Management has advised the Trustee that, after accounting for disposition costs and potential damages suffered by each lessors/financiers, there is no equity in any of the vehicles.

Machinery and Equipment

The Trustee has obtained an appraisal of the Company's machinery and equipment ("**M&E**") which was prepared by Canam-Appraiz Inc. with an effective date of June 6, 2023 (the "**Appraisal**"). According to the Appraisal the forced liquidation value of the Company's M&E as of the Appraisal date was $421,250. The Company has estimated that the costs and fees (including commission and selling costs) associated with a liquidation of the M&E would be approximately 30% of the force liquidation value. The net realizable value was presented on the SOA.

Inventory

The book value of the Company's inventory as at August 31, 2023 was $708,780. Management has estimated that the realizable value in a forced liquation scenario would be approximately 30% of book value (being $212,634). The estimated net realizable value was presented on the SOA.

Section F – Conduct of Debtor

Bankruptcy Offences

The Trustee in not aware of any offense committed by the Company pursuant to the BIA.

Reviewable Transactions

The Trustee has not yet reviewed the Company's bank account transactions for the one year period prior to the NOI Date. The Trustee will discuss its review of the Company's bank account transactions with the creditors at the Creditor Meeting.

Section G – Creditors' Claims

A summary of the Company's creditors is set out below.

Creditor Category	No. of Creditors	Value ($)
CRA - Deemed Trust	1	1,631,000
Secured - RBC	1	2,807,312
Secured - Vehicle / Equipment	6	n/a
Preferred	0	-
Unsecured - Arm's length	104	3,273,920
Unsecured - Non-arm's length	5	*Not presented on SOA*

Trust Claims (deemed or otherwise)

Pursuant to section 67(3) of the BIA, amounts owing to the CRA in respect of unpaid employee source deduction are considered to represent a deemed trust claim in favour of the CRA which

ALBERT GELMAN

ranks in priority to the claims of all other creditors, with certain limited exceptions (defined above as the Deemed Trust Claim). Pursuant to section 69.1(1) of the BIA the Deemed Trust Claim must be paid within 6 months of court approval of the Proposal unless the CRA consents to a longer period of time. The Company is requesting that CRA consent to allow the Company to pay the Deemed Trust Claim within 24 months of Court approval by way of installment payments as set out earlier in this report.

CRA filed a proof of claim with the Trustee confirming that the Deemed Trust Claim amount is $1,631,000.07.

Secured Creditors

Prosyso's Proposal is being made to both RBC and Vault Credit Corporation ("**Vault**") as further described below. Prosysco's proposal is not currently being made to any other of its secured creditors however, it is considering the termination of certain vehicle leases during the proposal proceedings.

As part of the process to determine who the secured creditors of Prosysco are, the Trustee conducted a search pursuant to the *Personal Property Security Act* (Ontario) on March 29, 2023 (File Currency: March 28, 2023). The search results are set out below.

Registration Date	Creditor	Collateral Classification
May 30, 2013	Royal Bank of Canada	Inventory, Equipment, Accounts, Other, Motor Vehicle
November 23, 2017	Royal Bank of Canada	Inventory, Equipment, Accounts, Other
September 19, 2018	Echelon Insurance	Other
March 5, 2019	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
March 5, 2019	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
April 2, 2019	Royal Bank of Canada	Equipment, Other
October 22, 2019	De Lage Landen Financial Services Canada Inc.	Equipment, Accounts, Other, Motor Vehicle
November 19, 2019	Royal Bank of Canada	Equipment, Other
October 30, 2020	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
November 2, 2020	Ford Credit Canada Company	Equipment, Other, Motor Vehicle
November 19, 2020	Royal Bank of Canada	Consumer Goods, Other, Motor Vehicle
December 7, 2020	Toyota Credit Canada Inc.	Consumer Goods, Equipment, Other, Motor Vehicle
February 4, 2021	The Bank of Nova Scotia	Equipment, Other, Motor Vehicle
March 16, 2021	Honda Canada Finance Inc.	Consumer Goods, Equipment, Motor Vehicle
May 25, 2021	Royal Bank of Canada	Equipment, Other
June 15, 2021	Toyota Credit Canada Inc.	Consumer Goods, Equipment, Other, Motor Vehicle
June 16, 2021	Royal Bank of Canada	Equipment, Other, Motor Vehicle
June 29, 2021	Vault Credit Corporation	Equipment, Other
July 5, 2021	BMW Canada Inc.	Consumer Goods, Equipment, Other, Motor Vehicle
July 22, 2021	Vault Credit Corporation	Equipment, Other
September 3, 2021	Vault Credit Corporation	Equipment, Other
October 1, 2021	Meridian Onecap Credit Corp.	Equipment, Other
October 13, 2021	Vault Credit Corporation	Inventory, Equipment, Accounts, Other
October 27, 2021	Meridian Onecap Credit Corp.	Equipment, Other
October 27, 2021	Meridian Onecap Credit Corp.	Equipment, Other
January 1, 2022	CWB National Leasing Inc.	Equipment
June 20, 2022	Bercon Rentals Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle
July 8, 2022	Royal Bank of Canada	Equipment, Other
October 13, 2022	Bercon Rentals Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle
October 27, 2022	Her Majesty in right of Ontario represented by the Minister of Finance	Inventory, Equipment, Accounts, Other, Motor Vehicle
November 1, 2022	ATCO Structures & Logistics Ltd.	Other

Royal Bank of Canada

RBC is Prosysco's senior secured creditor/lender. RBC provided Prosysco with several term loans, both a CDN dollar and US dollar revolving line of credit, and credit card facilities. The Trustee has been advised by RBC that the amount owing to RBC is approximately CDN$2.4 million and US$305,000 as of September 13, 2023 plus accrued and accruing interest (the "**RBC Debt**").

Prosysco provided a general security agreement in favour of RBC as security for the RBC Debt. 111Co. provided a general security agreement securing its limited guarantee of the RBC Debt in favour of RBC. Together the Prosysco security and the 111Co. security are together referred to as the "**RBC Security.**"

The Trustee has engaged Goldman Sloan Nash and Haber LLP ("**GSNH**") to provide independent legal opinions in respect of the validity and enforceability of the RBC Security. GSNH has provided a favourable opinion on the RBC Security. RBC has the earliest registered financing statements against both Prosysco and 111Co.

Pursuant to the Proposal RBC shall be entitled to file a secured claim for the full amount of the RBC Debt.

Vehicle and Equipment Loans and Leases

The PPSA registrations of De Lage Landen Financial Services Canada Inc., Ford Credit Canada Company, Toyota Credit Canada Inc., The Bank of Nova Scotia, Honda Canada Finance Inc., BMW Canada Inc., CWB National Leasing Inc., Bercon Rentals Inc. and ATCO Structures & Logistics Ltd. relate to specific vehicles and/or equipment either purchased or leased by/to Prosysco. Prosysco has been in discussions with each of these secured creditors to clarify the terms of their ongoing financial relationship.

As was noted above, Prosysco's Proposal is being made to RBC and Vault only and not to any other of its secured creditors.

Disclaimed Agreement

Prior to the filing of the Proposal Prosysco disclaimed agreements with Meridian Onecap Credit Corp., Catalyst Finance Partners Inc. and De Lage Landen Financial Services Canada Inc. Any/all property in respect of these agreements was returned to and/or abandoned by the parties to the disclaimed agreement. As set out in the Proposal these creditors shall be entitled to file an unsecured claim in the Proposal.

Echelon Insurance

The Trustee has been advised by management that Echelon Insurance provides bonding to the Company and that the PPSA registration by Echelon Insurance is in respect of same. As of the date of the SOA there is no outstanding amount owing to Echelon Insurance.

Vault Credit Corporation

The Company's Proposal is being made to Vault in respect of its secured claim arising from the loan agreement no. 235259 date April 26, 2022 as between the Company and Vault (the "**Vault Loan Agreement**"). Vault shall value its security in respect of the Vault Loan Agreement at $0 and will be entitled to file a claim as an unsecured creditor in the Proposal in respect of the Vault Loan Agreement. The Company shall continue to make payments to Vault under equipment lease no. 229167 and equipment lease no. 227307 in the ordinary course.

Preferred Creditors

According to the SOA, the Company does not have any preferred creditors.

Unsecured Creditors

The Company has listed arm's length unsecured creditors on its SOA as having total outstanding claims of $3,273,920.

The Company has five non-arm's length creditors as of the date of the Proposal. These five non-arm's length creditors, being 2090985 Ontario Inc., The Estate of Paul Chimko, Alan Chimko, Dmitry Puzhitsky and 1110615 Ontario Ltd., have each provided an acknowledgement to the

Trustee that they will not file claims in Prosysco's Proposal and will not participate in any distribution to unsecured creditors. Management has advised the Trustee that the amounts owing to each of these non-arm's length creditors is as set out below.

Creditor	Value ($)
Dmitry Puzhitsky	68,939
The Estate of Paul Chimko	46,758
Al Chimko	547,084
2090985 Ontario Inc	575,719
1110615 Ontario Ltd.	TBD

Proofs of Claim Received by the Trustee

The Trustee will review the status of submitted claims at the Creditor Meeting.

Section H – Previous Business Dealings with the Company

Prior to Prosysco filing its NOI on April 1, 2023, the Trustee had not previously provided services to the Prosysco.

Section I – Informal Meetings with Major Creditors

During the Company's restructuring proceedings the Trustee has been in communications with several of the Company's secured and unsecured creditors regarding, among other things, the status of the NOI and the timing of the filing of the Proposal.

Section J – Remuneration of Trustee

Payment of the fees and expenses of the Trustee, including the legal fees and disbursements of the Trustee, will be paid directly by Prosysco in accordance with the terms of the Proposal.

Section K – Other Information

In preparing this Report, the Trustee has relied upon unaudited financial information prepared by the Company's representatives, the books and records of the Company and discussions with representatives of the Company, including its management, President and legal counsel. The Trustee has not performed an audit or other verification of such information. Future oriented financial information relied upon in this Report is based on the Companies' representatives' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.

Unless otherwise noted, all currency references in this report are to Canadian dollars.

Capitalized terms not otherwise defined in this report have the meanings ascribed to them in the Proposal.

It is expressly noted and should be clearly understood that Albert Gelman Inc., in its capacity as Trustee under this Proposal, assumes no personal liability for any claims against the Company before or after the filing of the Proposal.

As a result of a material change in the actual cash flows of the Company (as compared to the forecasted amounts) the Trustee issued a Report of the Trustee on Material Adverse Change in Projected Cash Flow or Financial Circumstances dated September 2, 2023 pursuant to section 50.4(7)(b) of the BIA. A copy of this report was sent to each of the Company's creditors on September 4, 2023. If you would like a copy of this report, please contact the Trustee directly.

Section L – Statement of Estimated Realization

Distribution to Creditors – Bankruptcy

In the event that the Proposal is not accepted by the Company's creditors or the Court and the Company is deemed to have made an assignment in bankruptcy there would likely be no distribution to unsecured creditors. Both the CRA Deemed Trust and RBC Debt would need to be paid in full before any distribution to other secured creditors and unsecured creditors in a bankruptcy scenario, which is unlikely.

Further, a bankruptcy of Prosysco would result in the Company ceasing operations and would be detrimental to many of Prosysco's stakeholders including, among others: (a) its current employees who would likely be terminated; (b) its current suppliers who would lose Prosysco as a customer; and, (c) its current customers who may be forced to find an alternative suppliers and incur, potently, significant damages if Prosysco is not able to complete it existing contracts.

Distribution to Creditors – Proposal

Royal Bank of Canada

In the event that RBC, in its capacity as a secured creditor, accepts the Proposal, the RBC Debt will be paid directly by the Company within 24 months of Court approval in the manner set out earlier in this report.

Unsecured Creditors

In the event that the Proposal is accepted by the Company's unsecured creditors and the Court, the unsecured creditors will receive a distribution of the Proposal Fund, net of the OSB levy, on a pro-rata basis.

Section M - Recommendation

For the reasons set out above, the Trustee is of the view that the acceptance of the Proposal is in the best interests of all of the Company's stakeholders and the Trustee recommends acceptance of the Proposal by both RBC, in its capacity as a secured creditor, and the Company's unsecured creditors.

Section N – Meeting of Creditors and Procedures for Voting

A meeting of the Company's creditors will be held on October 4, 2023 at 3:00 p.m. (Toronto time) (the "**Creditor Meeting**"). Creditors wishing to attend the meeting may join the meeting by either video or telephone as set out below.

Microsoft Teams
Videoconference - Meeting ID: 273 417 190 339; Passcode: Meq22F
Telephone – No: 437-703-4516 PIN: 868787987#

To be eligible to vote, creditors must file their Proof of Claim with the Trustee prior to the commencement of the Meeting of Creditors.

Those creditors who do not intend to have a personal representative at the Creditor Meeting should also complete and submit a Voting Letter which is also enclosed, indicating their vote either for or against the Proposal.

The Trustee prefers that Proofs of Claim, Proxies and Voting Letters be submitted in advance of the meeting by fax at 416-504-1655 or by email at proofofclaim@albertgelman.com.

Documents sent via mail or courier must be received by the Trustee prior to the commencement of the Creditors Meeting to be considered for voting purposes.

Corporate creditors who will be sending a representative to vote at the meeting must complete a proxy in favour of the representative in attendance, in order to evidence that this person has the authority to vote on behalf of the corporation.

DATED AT Toronto, Ontario this 20th day of September 2023

ALBERT GELMAN INC., solely in its capacity as Trustee in *re* the Proposal of Prosysco Ltd. and not in its personal or any other capacity
Per:

Digitally signed by Bryan Gelman

Bryan A. Gelman, *CIRP, LIT*

APPENDIX “O”

LIMITED GUARANTEE

This **GUARANTEE** (this "**Guarantee**") dated as of December 14, 2023 is made by Alan Chimko, an individual residing in Kirkfield, Ontario (the "**Guarantor**"), in favour and for the benefit of the Royal Bank of Canada ("**RBC**") and Canada Revenue Agency ("**CRA**" and collectively with RBC, the "**Secured Creditors**");

WHEREAS the Guarantor is the director and officer of Prosysco Ltd. ("**Prosysco**"), an Ontario corporation with a business address located at 360 Ambassador Drive, Mississauga, Ontario;

AND WHEREAS RBC has made certain credit facilities available to Prosysco ("**Credit Facilities**");

AND WHEREAS Prosysco filed a Notice of Intention to Make a Proposal (the "**NOI**") pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**") on April 1, 2023;

AND WHEREAS Albert Gelman Inc. was appointed proposal trustee in relation to the NOI, and Prosysco filed a Proposal under the BIA on September 14, 2023 and later amended on December 4, 2023 (as amended, the "**Proposal**"), which shall be voted on by the creditors of Prosysco on December 4, 2023, or as soon as practicable at any subsequent meeting, and if accepted by creditors, will require approval of the Proposal by the Ontario Superior Court of Justice - Bankruptcy and Insolvency;

AND WHEREAS Prosysco has arrears owing to CRA with respect to unremitted employee deductions at source (the "**CRA Arrears**"). Prosysco will repay the CRA Arrears in accordance with the terms of the Proposal;

AND WHEREAS all payments to be made to RBC by Prosysco shall not be made under the terms of the Proposal but shall be made in accordance with the terms of a Forbearance Agreement dated December 4, 2023 between RBC, Prosysco, the Guarantor, and others (the "**Forbearance Agreement**");

AND WHEREAS it is a condition precedent to CRA supporting the Proposal and RBC executing the Forbearance Agreement that the Guarantor execute and deliver this Guarantee;

AND WHEREAS the Guarantor has offered to provide this limited and secured Guarantee to support Prosysco's Proposal and the Forbearance Agreement, taking into account the allocation Formula as between the Secured Creditors as provided for in the Forbearance Agreement (the "**Allocation Formula**");

NOW, THEREFORE, in consideration of the Secured Creditors voting in favour of the Proposal, RBC entering into the Forbearance Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby agrees as follows:

ARTICLE I

Guaranteed Obligations

Section 1.01 Guaranteed Obligations. The Guarantor hereby absolutely, unconditionally and irrevocably guarantees payment to the Secured Creditors, up to the maximum aggregate amount of $1,000,000, of all present and future indebtedness, liabilities and obligations, direct or indirect, absolute or contingent, matured or not matured now or at any time, and from time to time, due or owing by Prosysco or any successor to Prosysco to:

a) RBC under or in connection with the Forbearance Agreement and the Credit Facilities as defined in the Forbearance Agreement; and

b) CRA under or in connection with the payment of the CRA Arrears as delineated in the Proposal

(collectively, the "**Obligations**").

Section 1.02 Limited Liability Guarantee. Notwithstanding anything contained herein to the contrary, the total liability of the Guarantor under this Guarantee shall be limited to an aggregate amount of $1,000,000.00 owing from Prosysco to the Secured Creditors. For greater clarity, the aggregate amount of $1,000,000.00 is to be split between the two Secured Creditors in accordance with the Allocation Formula.

Section 1.03 Interest. Interest will accrue from the date of demand for payment at a rate equal to RBC's Prime Rate of Interest Rate from time to time per annum as well as before default and judgment. Prime Rate of Interest Rate is the annual rate of interest announced from time to time by RBC as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada. Moreover, when demand for payment has been made, the undersigned shall also be liable to RBC for all legal costs (on a full indemnity basis) incurred by or on behalf of RBC resulting from any action instituted on the basis of this guarantee. However, nothing contained herein expands the aggregate amount of the Guarantor's liability as set out in section 1.02 above.

Section 1.04 Secured Guarantee. The Guarantor agrees that his Obligations to the Secured Creditors under this Guarantee will be secured up to the aggregate amount of $1,000,000.00 by a collateral/charge mortgage (the "**Mortgage**") to be registered in favour of RBC on title to the Guarantor's real property municipally known as 126 Jasper Drive, Kirkfield, Ontario, and legally described as:

> PT BLK A PL 213 AS IN R455091; T/W R455091 EXCEPT T/W OVER PRIVATE DR PL 213; KAWARTHA LAKES (PIN 63165-0328 LT) (the "**Property**").

As soon as reasonably possible after the execution of this Guarantee, and within twenty-one (21) days of the Court's approval of the Proposal, the Guarantor will register the Mortgage on title to the Property and provide proof of registration to the Secured Creditors.

Section 1.05 Guarantee of Payment. The Guarantor's liability under this Guarantee shall arise immediately upon written demand of the Secured Creditors after

Prosysco defaults under its obligations under the Proposal and/or the Forbearance Agreement. Following such demand, RBC shall not be bound to exhaust its recourse against Prosysco or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Obligations, the undersigned renounce(s) to all benefits of discussion and division.

ARTICLE II

Waiver of Guarantor Defences

Section 2.01 Waiver of Guarantor Defences. The Guarantor agrees that its Obligations under this Guarantee are irrevocable, continuing, absolute and unconditional and shall not be discharged or impaired or otherwise affected by, and the Guarantor hereby irrevocably waives any defences to enforcement it may have (now or in the future) by reason of one or more of the following:

a) Any illegality, invalidity or unenforceability of any Obligation.

b) Any change in the amount, time, place or manner of payment or performance of, or in any other term of the Obligations, or any waiver, release, assignment, amendment, amendment and restatement or other modification of the Proposal or Forbearance Agreement.

c) Any taking, substitution, release, impairment, loss in value, amendment, waiver, or non-perfection of any collateral or any other guarantee for the Obligations.

d) Any manner of sale, disposition or application of proceeds of any collateral or other assets to all or part of the Obligations.

e) Any default, failure or delay, wilful or otherwise, in the performance of the Obligations.

f) Any change in the name, object, capital, ownership or control, or constitution of Prosysco or any insolvency, bankruptcy, reorganization or other similar proceeding affecting Prosysco.

g) Any merger, amalgamation, consolidation or other fundamental change of Prosysco.

h) Any defence, set-off or counterclaim (other than a defence of payment or performance) that may at any time be available to, or be asserted by, Prosysco against the Lender.

i) Any other circumstance, act, or omission that might vary the risk of the Guarantor or otherwise operate as a defence available to, or a legal or equitable discharge of, the Guarantor.

ARTICLE III

Guarantor Acknowledgments

Section 3.01 Guarantor Acknowledgments.

(a) The Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guarantee and acknowledges that this Guarantee is continuing in nature, shall guarantee any ultimate balance owing to the Secured Creditors, and applies to all presently existing and future Obligations, until the complete, irrevocable and indefeasible payment and satisfaction in full of the Obligations.

(b) The Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonour and any other notice with respect to any of the Obligations and this Guarantee and any requirement that the Secured Creditors protect, secure, perfect or insure any encumbrance or any property subject thereto.

(c) The Guarantor agrees that its guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any Obligation is voided, rescinded or recovered or must otherwise be returned by the Secured Creditors upon the insolvency, bankruptcy, reorganization, dissolution or winding-up of Prosysco.

(d) This Guarantee shall continue to apply to all Obligations owing to the Secured Creditors by any amalgamated corporation resulting from Prosysco amalgamating with one or more other corporations.

(e) This Guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by RBC, and any present or future obligation to RBC incurred or arising otherwise than under a guarantee, of the undersigned or of any other obligantant whether bound with or apart from Prosysco; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by RBC to be cancelled.

ARTICLE IV

Subrogation; Contribution; Reimbursement; Indemnification

Section 4.01 Subrogation; Contribution; Reimbursement; Indemnification. The Guarantor waives and shall not exercise any rights that it may acquire by way of subrogation, contribution, reimbursement or indemnification for payments against Prosysco until all Obligations shall have been paid and discharged in full. Subject to the foregoing, upon full and final payment and performance of all Obligations, the Guarantor shall be subrogated to the rights of the Secured Creditors against Prosysco, and the Secured Creditors agree to take such steps as the Guarantor may reasonably request, at the Guarantor's expense, to implement such subrogation.

ARTICLE V

Representations and Warranties

Section 5.01 **Representations and Warranties.** To induce RBC to enter into the Forbearance Agreement and CRA to vote in favour of the Proposal, the Guarantor represents and warrants that:

a) There are no conditions precedent to the effectiveness of this Guarantee that have not been satisfied or waived except for the condition precedent that this Guarantee is only effective if the creditors and the Court both approve the Proposal.

b) The Guarantor has been provided independent legal advice or the opportunity to obtain such advise with respect to his execution of this guarantee and the granting of the Mortgage and does so under his informed and free will, free if duress,and undue influence.

a) The execution and delivery of this Guarantee and performance of its obligations hereunder have been duly authorized by all required action.

b) This Guarantee has been duly executed and delivered by the Guarantor and constitutes a legal, valid and binding obligation of the Guarantor, enforceable against the Guarantor in accordance with its terms.

ARTICLE VI

Indemnity

Section 6.01 **Indemnity.** The Guarantor hereby agrees to indemnify and hold harmless the Secured Creditors from any losses, damages, liabilities, claims and related expenses incurred by the Secured Creditors or asserted against the Secured Creditors by any person arising out of, in connection with or resulting from this Guarantee or any failure of any Obligations to be legal, valid and binding obligations of Prosysco, enforceable against Prosysco in accordance with its terms.

ARTICLE VII

Set-Off

Section 7.01 **Set-Off.** To the maximum extent permitted by applicable law, the Secured Creditors may apply any amounts owing to, or sums standing to the credit of the Guarantor to the payment when due of any amounts owing by the Guarantor under this Guarantee up a maximum of $1,000,000.00.

ARTICLE VIII

Limitation Period

Section 8.01 **Limitation Period.** The Guarantor agrees that this Guarantee shall, for the purposes of the *Limitations Act, 2002,* S.O. 2002, c. 24, Sched. B (Ontario *Limitations Act*) constitute a "business agreement" as defined in section 22 of the Ontario *Limitations Act*. To the maximum extent permitted by applicable law, the Guarantor hereby agrees that the Secured Creditors may bring an action under this Guarantee, notwithstanding any limitation periods applicable to such claim, and that any limitation periods applicable to this Guarantee are hereby explicitly excluded. If the exclusion of limitation periods is not permitted under applicable law, then the applicable limitation periods are hereby extended to the maximum extent permitted by law.

ARTICLE IX

Miscellaneous

Section 9.01 **Notices.** All notices and other communication provided for hereunder (each, a "**Notice**") shall be in writing and be delivered by personal delivery, registered mail, or transmitted by email to such party as follows:

In the case of the Guarantors:

Elrick Law Professional Corporation
Barrister and Solicitor
59 Division Street,
Oshawa, Ontario L1G 5L8
Attention: Andrew M. Elrick
Via e-mail: andrew@elricklaw.ca

In the case of RBC:

Harrison Pensa LLP
Barristers and Solicitors
130 Dufferin Avenue, Suite 1101,
London, Ontario N6A 5R2
Attention: Tim Hogan
Via e-mail: thogan@harrisonpensa.com

In the case of CRA:

Canada Revenue Agency
London-Windsor Tax Services Office
Insolvency Intake Centre
Collections Directorate
431 Talbot Street, 3rd Floor
London, ON N6A 4R3
Attention: Rene Tegelaar

or such other address that may be designated by Notice given as aforesaid to the other party by the party to whom Notice is to be given. Notices shall be deemed to have been given (a) when received (if delivered by personal delivery or registered mail); (b) when sent (if delivered by facsimile or email), except that, if not given on a business day between 9:00 a.m. and 5:00 p.m. local time where the recipient is located, then on the next business day for the recipient.

Section 9.02 **Successors and Assigns; Assignment.** This Guarantee is binding upon the Guarantor and its successors, heirs and assigns and shall enure to the benefit of the Secured Creditors and its successors and assigns. The Guarantor may not, without the prior written consent of the Secured Creditors, assign any of its rights, powers or obligations hereunder. The Secured Creditors may not, without the prior written consent of the Guarantor, assign this Guarantee and their rights hereunder. Any purported assignment in violation of this Section shall be null and void.

Section 9.03 **Severability.** If any term or provision of this Guarantee is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Guarantee or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 9.04 **Governing Law.** This Guarantee is governed by and construed in accordance with the laws of the Province of Ontario, and the federal laws of Canada applicable in that Province without giving effect to any choice or conflict of law provision or rule (whether of the Province of Ontario or any other jurisdiction).

Section 9.05 **Submission to Jurisdiction.** Any action or proceeding arising out of or relating to this Guarantee will be instituted in the courts of the Province of Ontario, and the Guarantor irrevocably submits to the exclusive jurisdiction of such courts in any such action or proceeding.

Section 9.06 **Cumulative Rights.** The rights and remedies of the Lender under this Guarantee are cumulative and are in addition to and not in substitution for any other rights and remedies available at law, or in equity or otherwise.

Section 9.07 **Entire Agreement;** Other than the Guarantee and Postponement of Claim dated June 16, 2016 provided by the Guarantor to RBC for the limited amount of $700,000 ("**Prior Guarantee**"), the Proposal and the Forbearance Agreement, this Guarantee constitutes the entire agreement of the Guarantor and the Secured Creditors with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter. For greater clarity, this Guarantee shall stand in addition to, and shall not replace, the Guarantor's Prior Guarantee held by RBC.

Section 9.08 **Amendments.** No amendment or waiver of any provision of this Guarantee shall be valid and binding unless it is in writing and signed, in the case of an amendment, by both parties, or in the case of a waiver, by the party against which the waiver is to be effective.

Section 9.09 **Headings.** Section headings are for convenience of reference only and shall not define, modify, expand or limit any of the terms of this Guarantee.

Section 9.10 **Currency.** All reference to currency are in Canadian Dollars unless otherwise stated herein.

Section 9.11 **Effectiveness.** A signed copy of this Guarantee delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Guarantee.

IN WITNESS WHEREOF, the Guarantor has executed this Guarantee as of the 14th day of December, 2023.

WITNESS	**GUARANTOR:**
Jessica Wuthmann	Alan Chimko
DocuSigned by: Jessica Wuthmann	DocuSigned by:
3A2B52A947404F3...	A44ABA74852A457...

TAB 3

Court File No. BK-23-02929201-0032 /
Estate No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

THE HONOURABLE • .	)	WEDNESDAY, THE 24TH
	)	
JUSTICE ________	)	DAY OF JANUARY, 2024

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

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

ORDER
(Approval of Prosysco Amended Proposal)

THIS MOTION, made by Albert Gelman Inc., in its capacity as the trustee (the "**Proposal Trustee**") in the Proposal of Prosysco Ltd. (the "**Company**" or "**Prosysco**"), for an Order (*inter alia*):

(a) if required, abridging the time for service of the Notice of Motion of the Proposal Trustee and other materials relied upon for this motion, and validating service thereof;

(b) approving the amended proposal in the form attached hereto as Schedule "A" (the "**Amended Proposal**") filed with the Official Receiver on September 14, 2023, which proposal was unanimously accepted by the creditors of the Company present in person or by proxy at a meeting duly held via video conferencing on December 4, 2023; and

(c) such further and other relief as counsel may request and this Honourable Court may deem just;

was heard this day by videoconference.

ON READING Form 40 – Report of Trustee on Proposal dated January 7, 2024 (the "**Trustee's Report**") and the Factum of the Proposal Trustee, and on hearing the submissions of counsel for the Proposal Trustee, and such other counsel as were present via video conference, no one appearing for any other party although duly served as appears from the affidavit of service of • sworn January • , 2024, filed, and (i) having taken cognizance that the Amended Proposal has been unanimously accepted by the creditors present in person or by proxy voting at the meeting of creditors held via video conference on December 4, 2023, (ii) that the terms of the Amended Proposal are reasonable and calculated to benefit the general body of creditors, (iii) and that no offences or facts have been proved to justify the Court withholding its approval of the Amended Proposal;

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that the time for service of the Motion Record in respect of this motion and the Trustee's Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

DEFINITIONS

2. **THIS COURT ORDERS** that all capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Proposal.

APPROVAL OF THE PROPOSAL

3. **THIS COURT ORDERS** that the Amended Proposal attached as Schedule "A" hereto be and is hereby approved.

4. **THIS COURT ORDERS** that, upon the Proposal Trustee issuing a certificate of full performance of the Amended Proposal under section 65.3 of the BIA: (i) the Amended Proposal and all associated steps, compromises, settlements, satisfactions, releases, discharges, transactions and arrangements effected thereby are approved, binding and effective in accordance with the provisions of the Amended Proposal and the BIA; and (ii) the treatment of the Claims of Creditors under the Amended Proposal shall be final and binding for all purposes and enure to the benefit of the Company, the Creditors, and all other Persons named or referred to in the Amended Proposal, or subject to the Amended Proposal, and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

IMPLEMENTATION OF THE PROPOSAL

5. **THIS COURT ORDERS** that the Proposal Trustee be and is hereby authorized, directed and empowered to perform its functions and to fulfill its obligations under the Amended Proposal to facilitate the implementation of the Amended Proposal.

6. **THIS COURT ORDERS** that the Proposal Trustee, be and is hereby authorized and directed to make the distributions and payments contemplated under the Amended Proposal in accordance with its terms and the BIA and to take any such related steps or actions necessary or desirable to

implement, and consummate all matters contemplated under the Amended Proposal and all agreements, transactions, and documents contemplated by the Amended Proposal, and such steps and actions are hereby approved.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada against all persons, firms, corporations, governmental, municipal, and regulatory authorities against whom it may be enforceable.

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

9. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province to act in aid of and to be complementary to this Court 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 as may be necessary or desirable to give effect to the Order or to assist the Trustee and its agents in carrying out the terms of this Order.

____

SCHEDULE "A"

PROPOSAL

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD.

Court File No. BK-23-02929201-0032
Estate No. 32-2929201

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

Proceeding commenced TORONTO

ORDER
(Approval of Prosysco Amended Proposal)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V2

Mario Forte (LSO #: 27293F)
Tel: 416.597.6477
Email: forte@gsnh.com

Lawyers for the Proposal Trustee, Albert Gelman Inc.

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

Court File No. BK-23-02929201-0032
Estate No. 32-2929201

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF PROSYSCO LTD. OF THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 1110615 ONTARIO LTD.

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
Proceeding commenced TORONTO

MOTION RECORD
(Approval of Prosysco Amended Proposal)
(returnable January 24, 2024)

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto ON M5G 1V2

Mario Forte (LSO #: 27293F)
Tel: 416.597.6477
Email: forte@gsnh.com

Lawyers for the Proposal Trustee, Albert Gelman Inc.