

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

B E T W E E N:

**BANK OF MONTREAL**

Applicant

- and -

**TRS COMPONENTS LTD., PLANT 22 LTD. and 976711 ONTARIO INC.**

Respondents

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE  
*COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

**FACTUM OF THE RECEIVER  
(Approval and Vesting Order and Ancillary Order)**

September 30, 2026

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**TO:        SERVICE LIST**

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## PART I - OVERVIEW<sup>1</sup>

1. This factum is filed by AlixPartners Restructuring, Inc. (“**AlixPartners**”) in its capacity as the court-appointed receiver and manager (in such capacity, the “**Receiver**”) without security, of the undertaking, property and assets of TRS Components Ltd. (“**TRS**”), Plant 22 Ltd. (“**Plant 22**”), and 976711 Ontario Inc. (“**TNT**”, and together with TRS and Plant 22, the “**Companies**”), in support of the motion seeking the following orders:

- (a) an approval and vesting order (the “**AVO**”) that, among other things:
  - (i) approves the agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver, as vendor, and Terra Nova Components Inc. and Celina Thorndale Inc. (collectively, the “**Purchasers**”) dated as of July 24, 2026, as amended by an amendment no. 1 to the Sale Agreement dated as of September 25, 2026;
  - (ii) vesting title in the Purchased Assets (as defined in the AVO) in the Purchasers, free and clear of all liens, claims and encumbrances;
- (b) an ancillary order (the “**Ancillary Order**”), that, among other things:
  - (i) authorizes and directs the Receiver to make distributions (the “**Distributions**”), without personal or corporate liability, to Bank of Montreal (“**BMO**”), subject to a holdback sufficient to satisfy the remaining estimated costs of the receivership proceedings;

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<sup>1</sup> Capitalized terms used but not defined herein have the meanings given to them in the first report of the Receiver dated September 25, 2026 (the “**First Report**”), Motion Record of the Receiver dated September 25, 2026 (“**MR**”), Tab 2.

- (ii) approves the fees and disbursements of the Receiver and its counsel, Fasken Martineau DuMoulin LLP (“**Fasken**”), for the period from June 1, 2026 to August 31, 2026 in the total amount of \$252,207.74, and for Fasken for the period from June 8, 2026 to September 15, 2026 in the total amount of \$185,066.57, as set out in the affidavit of Robert Kofman (the “**Kofman Affidavit**”) and the affidavit of Daniel Richer (the “**Richer Affidavit**”) attached as Appendices “I” and “J” to the First Report, respectively;<sup>2</sup>
- (iii) approves the Pre-Filing Report and First Report (together, the “**Reports**”) and the conduct and activities of the Receiver described therein;
- (iv) abridges and validates the time for service of the Notice of Motion and the Motion Record, and dispenses with further service thereof.

2. The Receiver respectfully submits that the AVO and Ancillary Order should be granted by this Court because:

- (a) the Sale Process, including the Auction, was carried out in accordance with its terms and generated competitive interest from arm’s length parties and increased the purchase price from \$19.2 million under the Stalking Horse Agreement to \$20.6 million, an increase of \$1.4 million;<sup>3</sup>

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<sup>2</sup> Appendices “I” and “J”, MR, Tab 2, E543, E559. Note: These amounts include HST.

<sup>3</sup> First Report at 4.5(1)(c)-(d), MR, Tab 2, E309.

- (b) the Transaction represents the highest and best offer received in the Sale Process, providing the greatest recovery available to the Companies' stakeholders, and preserves the business as a going concern with continued employment of substantially all of the Companies' employees;<sup>4</sup>
- (c) the proposed Distributions to BMO are reasonable and appropriate and accurately reflect BMO's status as the Companies' senior secured creditor, and Fasken has issued an opinion confirming the validity, enforceability and perfection of BMO's security interest;<sup>5</sup>
- (d) the Distributions do not prejudice any foreseeable priority claimants;<sup>6</sup>
- (e) the fees and disbursements of the Receiver and Fasken are reasonable and appropriate in the circumstances;<sup>7</sup> and
- (f) the Receiver's activities as set out in the Pre-Filing Report and the First Report were reasonable, necessary, and undertaken in good faith and in accordance with the Receiver's powers and duties as set out in the Receivership Order (as defined below).

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<sup>4</sup> First Report at 4.5(1)(e)-(f), MR, Tab 2, E309.

<sup>5</sup> First Report at 3.1(1), 3.1.1, 5.0(1), MR, Tab 2, E300-E301, E310.

<sup>6</sup> First Report at 5.0(4), MR, Tab 2, E310.

<sup>7</sup> First Report at 7.0(4)-(5), MR, Tab 2, E312.

## PART II - SUMMARY OF FACTS

3. The relevant facts are set forth in detail in the First Report at Tab 2 of the Motion Record and are only briefly summarized herein.

### A. Background

4. TRS manufactures and distributes construction components, including roof trusses, wall panels, floor systems and lumber packages for residential, commercial, and agricultural applications, and operates from a facility leased from Plant 22, being the real property municipally known as 16783 Thorndale Road, Thorndale, Ontario (the “**Thorndale Property**”).<sup>8</sup> TNT designs pre-engineered floor and roof trusses for residential, commercial and agricultural applications and operates from leased premises in Brockville and Kingston, Ontario.<sup>9</sup> Plant 22 is a real estate holding company and the registered owner of the Thorndale Property.<sup>10</sup>

5. BMO is the Companies’ principal secured creditor. As of September 16, 2026, BMO was owed approximately \$23,735,454, with interest and costs continuing to accrue.<sup>11</sup>

6. On July 31, 2026, the Ontario Superior Court of Justice (Commercial List) issued an order (the “**Receivership Order**”) appointing AlixPartners as the Receiver and an order (the “**Sale Process Order**”) approving a sale process (the “**Sale Process**”) soliciting offers for the business and assets of the Companies and approving the stalking horse agreement of purchase and

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<sup>8</sup> First Report at 2.1(5), MR, Tab 2, E299.

<sup>9</sup> First Report at 2.2(2), MR, Tab 2, E299.

<sup>10</sup> First Report at 2.3(2), MR, Tab 2, E299.

<sup>11</sup> First Report at 3.1(1)-(2), MR, Tab 2, E300.

sale dated July 24, 2026 (the “**Stalking Horse Agreement**”) between the Receiver and the Purchasers.<sup>12</sup>

## **B. BMO’s Security**

7. As security for the obligations of the Companies to BMO, BMO was granted, among other things: (i) a general security agreement over all present and future personal property of TRS and Plant 22 dated July 25, 2022 (“**BMO GSA**”) and an attornment granted by TNT dated April 1, 2023 in respect of the BMO GSA; (ii) security granted by TRS under section 427 of the *Bank Act* (Canada) dated July 25, 2022; and (iii) a debenture granted by Plant 22 dated July 25, 2022, registered as a charge/mortgage in the amount of \$10 million against title to the Thorndale Property (collectively, the “**BMO Security**”). The obligations owing to BMO are cross-guaranteed by the Companies. BMO is the only creditor with a charge registered on title to the Thorndale Property.<sup>13</sup>

8. Prior to its appointment, the Receiver instructed Fasken to review and provide an opinion on the validity and enforceability of the BMO Security. Fasken’s opinion confirms that, subject to customary assumptions and qualifications, the BMO Security is valid and enforceable in accordance with its terms.<sup>14</sup>

9. In addition to BMO, Whirl 2 Ltd., 2070400 Ontario Ltd., Jeff Young, and Chad Lambourn (collectively, the “**Vendors**”), and Fox Investments Inc. (“**FII**”) are secured creditors

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<sup>12</sup> First Report at Appendices “A” and “C”, MR, Tab 2, E315, E356.

<sup>13</sup> First Report at 3.1(3)-(5), MR, Tab 2, E300.

<sup>14</sup> First Report at 3.1.1, MR, Tab 2, E301.

of the Companies. The Vendors and FII have postponed and subordinated their security in favour of BMO.<sup>15</sup>

### **C. The Sale Process**

10. The Receiver developed the Sale Process, in consultation with BMO, Celina Capital Corporation (“**Celina**”) and representatives of the Purchasers, to solicit offers for the Companies’ business and assets.<sup>16</sup>

11. The Receiver prepared a list of potentially interested parties (“**Buyers List**”) comprised of approximately 60 strategic parties operating in the building components and construction products industry and 30 financial parties.<sup>17</sup>

12. The Receiver launched the Sale Process on August 4, 2026 by distributing a teaser and a non-disclosure agreement (“**NDA**”) to the parties on the Buyers List. The Receiver also caused a notice of the Sale Process to be published on Insolvency Insider Canada. Parties who executed the NDA were granted access to a virtual data room (“**VDR**”), which included financial and other diligence information regarding the Companies. In total, 17 parties executed an NDA and were provided access to the VDR, of which 11 parties accessed the VDR.<sup>18</sup>

13. The Sale Process contemplated a Qualified Bid Deadline of 5:00 p.m. on August 31, 2026, being 30 days from the Sale Process Approval Date. In accordance with the Sale Process,

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<sup>15</sup> First Report at 3.2, MR, Tab 2, E301-302.

<sup>16</sup> First Report at 4.1(1), MR, Tab 2, E302.

<sup>17</sup> First Report at 4.1(7)(b)-(c), MR, Tab 2, E304.

<sup>18</sup> First Report at 4.1(7)(d)-(e), (g)-(h), 4.2(1)(a), MR, Tab 2, E304-305.

following a request from one or more potential bidders, the Receiver extended the Qualified Bid Deadline to September 4, 2026.<sup>19</sup>

14. Two Qualified Bids were received as part of the Sale Process: from the Leading Competing Bidder and the Stalking Horse Agreement. On September 8, 2026, the Receiver provided the Auction Procedures to each Participating Bidder.<sup>20</sup> The Receiver conducted the Auction virtually on September 10, 2026, with the opening bid set at \$19.5 million. Bidding proceeded in successive rounds, with each overbid required to exceed the then-current leading bid by at least \$100,000.<sup>21</sup>

15. After 11 rounds of bidding, the Leading Competing Bidder opted not to counter the Purchasers' bid of \$20.6 million, and the Purchasers were declared the Successful Bidder. The Leading Competing Bidder's last bid was declared the Back-up Bid.<sup>22</sup>

#### **D. Sale Agreement**

16. The key terms of the Sale Agreement, among others, are as follows:<sup>23</sup>

- (a) **Purchased Assets and Purchasers:** TNC will purchase substantially all of the business and assets of TRS and TNT, while CTI will purchase the Thorndale Property;
- (b) **Deposit:** A deposit of \$500,000 has been paid by the Purchasers;

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<sup>19</sup> First Report at 4.1(2)-(3), MR, Tab 2, E302-E303.

<sup>20</sup> First Report at 4.2(1)(f) and Appendix "F", MR, Tab 2, E306, E387.

<sup>21</sup> First Report at 4.2(1)(g)-(h), 4.3(5)-(6), MR, Tab 2, E306-E307.

<sup>22</sup> First Report at 4.3(7), MR, Tab 2, E307.

<sup>23</sup> First Report at 4.4 and Appendix "G", MR, Tab 2, E308, E391.

- (c) **“As Is, Where Is”:** The Purchasers are purchasing the Purchased Assets on an “as is, where is” basis, consistent with the standard terms of an insolvency transaction, with limited representations and warranties;
- (d) **Conditions and Closing Date:** The only material conditions are Court approval and payment by the Purchasers of the Purchase Price and all applicable Cure Costs (as defined in the Sale Agreement). Closing will take place five (5) Business Days following the issuance of the AVO, or such other date as the Parties may agree, and no later than the Outside Date (10 days following Court approval).

#### **E. Approval of Reports and Receiver’s Activities**

17. The Receiver seeks approval of the Reports and the Receiver’s conduct and activities described therein, which include:

- (a) corresponding with BMO and its legal counsel, Aird & Berlis LLP, regarding the receivership and the Sale Process;
- (b) corresponding with Fasken regarding the receivership proceedings, the Sale Process, the Stalking Horse Agreement, and the Transaction;
- (c) corresponding with the Leading Competing Bidder, Celina and its counsel, Torkin Manes LLP, and the Argyle Shareholders and their counsel, Blake, Cassels & Graydon LLP, regarding the Companies and matters relating to the Sale Process;
- (d) preparing employee, customer, and supplier communications in respect of the Companies’ business during the receivership, and reviewing and approving the Companies’ disbursements;
- (e) conducting the Sale Process, including, among other things, the Auction;

- (f) overseeing the Companies' business and operations during the receivership and maintaining the Receiver's case website; and
- (g) preparing the First Report and the motion materials filed in connection with the motion.<sup>24</sup>

#### **F. Professional Fees and Disbursements**

18. The Receiver seeks approval of its professional fees and disbursements incurred from June 1, 2026 to August 31, 2026, with fees totalling \$222,816.25 (excluding HST and disbursements), and of the professional fees and disbursements of its counsel, Fasken, incurred from June 8, 2026 to September 15, 2026, with fees totalling \$163,270.50 (excluding HST and disbursements).<sup>25</sup>

19. The First Report appends the Kofman Affidavit and the Richer Affidavit, which provide the statements of accounts to be passed and summary tables identifying the individual professionals who have worked on this matter, their hourly billing rates and total number of hours worked, among other information.<sup>26</sup>

20. The Receiver's view is that the fees and disbursements as described in the Kofman Affidavit and the Richer Affidavit are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken in these proceedings.<sup>27</sup>

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<sup>24</sup> First Report at 6.0, MR, Tab 2, E311-E312.

<sup>25</sup> First Report at 7.0(1)-(3), MR, Tab 2, E312; amounts including HST and disbursements are \$252,207.74 and \$185,066.57, respectively.

<sup>26</sup> First Report at Appendices "I" and "J", MR, Tab 2, E543, E559.

<sup>27</sup> First Report at 7.0(4)-(5), MR, Tab 2, E312.

### **PART III - STATEMENT OF ISSUES**

21. The issues to be determined are whether the Court should:
- (a) approve the Transaction as contemplated in the Sale Agreement;
  - (b) authorize and approve the proposed Distributions;
  - (c) approve the professional fees and disbursements of the Receiver and its counsel;  
and
  - (d) approve the Reports and activities described therein.

### **PART IV - LAW & ARGUMENT**

#### **A. The Transaction Should be Approved**

22. The purpose of a receivership under s. 243 of the *Bankruptcy and Insolvency Act* (the “**BIA**”) is to “enhance and facilitate the preservation and realization of the assets for the benefit of creditors,” a purpose which is generally achieved through the liquidation of the debtor’s assets.<sup>28</sup>

23. In *Royal Bank of Canada v Soundair Corp.*, the Court of Appeal identified the following factors that must be considered on a motion for approval of a proposed sale:

- (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
- (b) the efficacy and integrity of the process by which offers are obtained;
- (c) whether there has been unfairness in the working out of the process; and

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<sup>28</sup> *Third Eye Capital Corporation v. Ressources Dianor Inc./Dianor Resources Inc.*, [2019 ONCA 508](#) [“*Third Eye*”] at [para 73](#), citing *Hamilton Wentworth Credit Union Ltd. v. Courtcliffe Parks Ltd.* (1995), [1995 CanLII 7059 \(ON CTGD\)](#) at p 787.

(d) the interests of all parties.<sup>29</sup>

24. Each of these factors is satisfied in respect of the sale process:

- (a) **Efforts to Obtain Best Price:** The Receiver is of the view that the Transaction provides the best recovery available for the benefit of the Companies' stakeholders in the circumstances. The market was canvassed broadly, through a Buyers List comprised of approximately 60 strategic parties and 30 financial parties, 17 of which executed NDAs and were granted access to the data room. The Receiver also caused a notice of the Sale Process to be published on Insolvency Insider Canada and posted information about the Sale Process on the Case Website.<sup>30</sup> The Sale Process generated a competing Qualified Bid from the Leading Competing Bidder, resulting in a competitive Auction in which the purchase price increased from \$19.2 million to \$20.6 million over 11 rounds of bidding.<sup>31</sup>
- (b) **Commercial Efficacy:** The Sale Process was developed by the Receiver in consultation with BMO and the Purchasers and was conducted and carried out by the Receiver in accordance with its terms.<sup>32</sup> The Sale Process ran from its launch on August 4, 2026 through the Auction on September 10, 2026.<sup>33</sup> During the Sale Process, the Receiver, with assistance from the Companies, populated the data room with due diligence information and facilitated due diligence requests.<sup>34</sup>

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<sup>29</sup> *Royal Bank of Canada v. Soundair Corp.*, [1991 CanLII 2727 \(ON CA\)](#) [*"Soundair"*].

<sup>30</sup> First Report at 4.1(7)(b)-(f) and 4.2(1)(a), MR, Tab 2, E304-E305.

<sup>31</sup> First Report at 4.3(7) and 4.5(1)(d), MR, Tab 2, E307, E309.

<sup>32</sup> First Report at 4.5(1)(a), MR, Tab 2, E309.

<sup>33</sup> First Report at 4.1(7)(d), 4.2(1)(h), MR, Tab 2, E304, E306.

<sup>34</sup> First Report at 4.1(7)(g)&(i), MR, Tab 2, E305.

- (c) **Fairness:** The Sale Process and Auction were conducted with fairness, transparency and integrity. All bidders were treated fairly and equally. Following discussions with the Leading Competing Bidder and receipt of clarifications, as well as consultations with BMO, the Leading Competing Bidder's bid was deemed a Qualified Bid.<sup>35</sup> The Leading Competing Bidder and Purchasers did not object to the timing of the Auction and each of them confirmed on the record at the commencement of the Auction that it had not engaged in any collusion and that its bids were *bona fide* offers.<sup>36</sup>
- (d) **Interests of All Parties:** The Transaction provides for the best possible outcome in the circumstances for all parties with an economic interest in these proceedings, is supported by BMO, and preserves the Companies' business as a going concern with continued employment of substantially all employees.<sup>37</sup> Completion of the Transaction is expected to result in the greatest recovery available to the Companies' stakeholders.<sup>38</sup>

25. Courts afford broad deference to a receiver's commercial decision regarding a sale process. The business judgment of a receiver is accepted by the court absent exceptional circumstances, and courts have stated that where a receiver has acted reasonably, prudently and

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<sup>35</sup> First Report at 4.2(c), MR, Tab 2, E306.

<sup>36</sup> First Report at 4.2(1)(g), 4.3(4), MR, Tab 2, E306-E307.

<sup>37</sup> First Report at 4.5(d)-(f), MR, Tab 2, E309.

<sup>38</sup> First Report at 4.5(e), MR, Tab 2, E309.

not arbitrarily, the Court should not sit in appeal from the receiver's decision or conduct a detailed review of every element of the procedure by which a receiver's decision was made.<sup>39</sup>

26. The Receiver submits that the Transaction should be approved for the reasons outlined above. The sale process was carried out in accordance with its terms and was fair, open, transparent, and commercially reasonable, leading to the highest recovery available in the circumstances.

### **B. The Proposed Distributions Should be Approved**

27. As noted above, the Receiver seeks an order authorizing and directing the Receiver, subject to a holdback sufficient to satisfy the remaining estimated costs of these proceedings, to make Distributions to BMO up to the full amount of the indebtedness owing to BMO, without personal or corporate liability to any person or entity, including any governmental body or taxation authority.

28. The Court's discretion to make such orders is squarely within its jurisdiction to do what "justice dictates" and "practicality demands" pursuant to section 243(1)(c) of the BIA.<sup>40</sup>

29. Courts commonly grant distribution orders as part of sale approvals in a receivership. In *AbitibiBowater*, the court approved the distribution of proceeds from a CCAA sale process on, among other grounds: (i) the distributions were made in accordance with a valid and

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<sup>39</sup> *Soundair*; *Bank of Montreal v Dedicated National Pharmacies Inc. et al*, [2011 ONSC 4634](#) at [para 43](#).

<sup>40</sup> BIA, [s. 243\(1\)\(c\)](#); *Third Eye* at [para 57](#).

enforceable security interest; and (ii) the distributions would leave the debtor with sufficient liquidity.<sup>41</sup>

30. The factors contemplated in *AbitibiBowater* are satisfied in the present case:

- (a) the Companies are indebted to BMO on a secured basis in an amount of approximately \$23,735,454, with interest and costs continuing to accrue;<sup>42</sup>
- (b) the Receiver's counsel, Fasken, has issued an opinion confirming the validity, enforceability, and perfection of BMO's security interest in respect of the Companies;<sup>43</sup>
- (c) the Receiver is not aware of any registered prior-ranking claims against the proceeds to be distributed to BMO;<sup>44</sup>
- (d) the Receiver will holdback an amount sufficient to pay the estimated remaining costs of administering these proceedings;<sup>45</sup> and
- (e) the Receiver is not aware of any person who will be prejudiced by the relief sought and is not aware of any priority claims or unpaid wages and the Purchasers have confirmed that any such amounts, if any, would be assumed by the Purchasers.<sup>46</sup>

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<sup>41</sup> *AbitibiBowater inc. (Arrangement relatif à)*, [2009 QCCS 6461](#) at [paras 63, 68, 70, 75](#) [*"AbitibiBowater"*]; While such *AbitibiBowater* factors were analyzed in the context of a *Companies' Creditors Arrangement Act* ("CCAA") proceeding, they can be similarly applied in receivership proceedings: see, for example, *Ontario Securities Commission v. Bridging Income Fund L.P.*, [2022 ONSC 4472](#) at [para 8](#) and *GE Canada Real Estate Financing Business Property Company v 1262354 Ontario Inc.*, [2014 ONSC 1173](#) at [para 53](#).

<sup>42</sup> First Report at 3.1(2), MR, Tab 2, E300.

<sup>43</sup> First Report at 5.0(1), MR, Tab 2, E310.

<sup>44</sup> First Report at 5.0(4), MR, Tab 2, E310.

<sup>45</sup> First Report at 5.0(2), MR, Tab 2, E310.

<sup>46</sup> First Report at 5.0(4), MR, Tab 2, E310-311.

31. The distribution provision in the Ancillary Order includes language which protects the Receiver from potential liabilities, including liability to governmental or taxation authorities, in connection with the Distributions, giving the Receiver an additional level of protection in making the Distributions without first obtaining a tax clearance certificate. The language of the subject provision is substantially the same as a recent distribution order made by this Court in the receivership proceedings of *Riocan Real Estate Investment Trust et al. v 2455034 Ontario Limited Partnership et al.*, in which Justice Kimmel approved the inclusion of the protective language.<sup>47</sup>

32. In the circumstances, like the Court found in *One Bloor West Toronto Group (The One) Inc. (Re)*, the Receiver has acted in good faith in performing its duties and “should not face even the prospect of personal liability for not withholding taxes”.<sup>48</sup>

33. The relevant tax authorities, including specific individuals at the Department of Justice and the Ontario Ministry of Finance, have been served with this motion and, as of the date of this Factum, have not objected to the relief sought.<sup>49</sup>

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<sup>47</sup> [Endorsement of Justice Kimmel dated July 24, 2026](#) at paras 11-15 and [Order of Justice Kimmel dated as of July 24, 2026](#) at para 4 in *Riocan Real Estate Investment Trust et al. v 2455034 Ontario Limited Partnership et al.*, Court File No. CV-25-00744295-00CL. Similar orders have also been granted by this Court: See also [Order of Justice Osborne dated April 3, 2025](#) at para 5 in *Nuance Pharma Ltd. v 1001138302 Ontario Inc.*, Court File No. CV-24-00719237-00CL.

<sup>48</sup> *One Bloor West Toronto Group (The One) Inc. (Re)*, [2026 ONSC 1854](#) at [para 54](#).

<sup>49</sup> Lawyer’s Certificate of Service of Julia (Yun Ji) Chung dated September 25, 2026.

### **C. The Fees of the Receiver and its Counsel Should be Approved**

34. Pursuant to paragraphs 18 and 19 of the Receivership Order, the Receiver and Fasken are entitled to be paid their reasonable fees and disbursements, and are required to pass their accounts from time to time.<sup>50</sup>

35. In *Confectionately Yours Inc. (Re)*, the Court summarized the requirements for the substance or content of the accounts, which among other things, include:

- (a) the accounts must disclose the name of each person who rendered services, the dates on which services were rendered and the rate charged;
- (b) the accounts should be in a form that can be easily understood by those affected by the receivership so that such person can determine the amount of time spent by the receiver's employees (and others the receiver may have hired) with respect to the various discrete aspects of the receivership; and
- (c) the receiver's accounts and solicitor's accounts should be verified by affidavit.<sup>51</sup>

36. AlixPartners' and Fasken's accounts meet these requirements. The general standard of review for a court-appointed receiver's accounts is "whether the amount claimed for remuneration and the disbursements incurred in carrying out the receivership are fair and reasonable."<sup>52</sup>

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<sup>50</sup> First Report at Appendix "A" (paras 18-19), MR, Tab 2, E324.

<sup>51</sup> *Confectionately Yours Inc. (Re)*, [2002 CanLII 45059 \(ONCA\)](#) at [paras 37-38](#) [*"Confectionately Yours"*].

<sup>52</sup> [Confectionately Yours](#) at [para 42](#).

37. The Court is to consider all the relevant factors in a holistic manner. The focus should be the fair and reasonable assessment of what was accomplished, not the time it took.<sup>53</sup>

38. The Ontario Court of Appeal has endorsed a non-exhaustive list of factors to be considered in determining whether a receiver's fees are fair and reasonable, including: (a) nature, extent and value of the assets handled; (b) complications and difficulties encountered; (c) degree of assistance provided by the company, its officers, or its employees; (d) time spent; (e) the receiver's knowledge, experience, and skill; (f) diligence and thoroughness of the receiver; (g) responsibilities assumed; (h) results of the receiver's efforts; and (i) cost of comparable services.<sup>54</sup>

39. AlixPartners is a specialized restructuring and insolvency advisory firm. Likewise, Fasken is a sophisticated full-service law firm, and has staffed this matter with subject matter experts at various levels of seniority. The Receiver's and Fasken's hourly rates are consistent with the rates charged by comparable firms practicing in the area of insolvency in the Toronto market, and the Receiver is of the view that its own and Fasken's fees and disbursements are reasonable and appropriate in the circumstances.<sup>55</sup>

40. Accordingly, the Receiver respectfully requests approval of its fees and the fees of its legal counsel, Fasken, which are set forth in the Kofman Affidavit and the Richer Affidavit, respectively.

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<sup>53</sup> *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#) at [para 45](#).

<sup>54</sup> [Confectionately Yours](#) at [paras 45-46](#).

<sup>55</sup> First Report at 7.0(4)-(5), MR, Tab 2, E312.

**D. The Activities of the Receiver as Described in the Reports Should Be Approved**

41. In *Target Canada*, this Court identified several good policy and practical reasons for monitors in CCAA proceedings to routinely seek court approval of their reports and activities, and for courts to grant such approval. These include: (a) allowing the monitor to bring its activities before the Court; (b) allowing an opportunity for stakeholders' concerns to be addressed; (c) enabling the Court to satisfy itself that the monitor's activities have been conducted in a prudent and diligent manner; (d) providing protection for the monitor not otherwise provided by the CCAA; and (e) protecting creditors from delay that may be caused by re-litigation of steps or potential indemnity claims by the monitor. The Courts have determined that these reasons apply equally to receivership proceedings seeking approval of a receiver's report and activities.<sup>56</sup>

42. The Reports and the activities of the Receiver described therein should be approved because they were reasonable, necessary, and undertaken in good faith and in accordance with the Receiver's powers and duties as set out in the Receivership Order, and were undertaken in the best interests of the Companies' stakeholders.<sup>57</sup>

**PART V - ORDER REQUESTED**

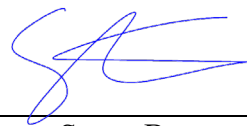
43. For the reasons set out above, the Receiver respectfully requests that this Court grant the AVO and Ancillary Order, substantially in the forms set out at Tabs 3 and 5 of the Motion Record.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 30<sup>th</sup> day of September, 2026.

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<sup>56</sup> *Target Canada Co., (Re)*, [2015 ONSC 7574](#) at [paras 2, 12, 22-23](#); *Hangfen Evergreen Inc., (Re)*, [2017 ONSC 7161](#) at [para 15](#).

<sup>57</sup> First Report at 6.0, MR, Tab 2, E311.



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Stuart Brotman



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Julia Chung

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its capacity as the Receiver

**SCHEDULE “A”**

**LIST OF AUTHORITIES**

1. *Third Eye Capital Corporation v Dianor Resources Inc.*, [2019 ONCA 508](#).
2. *Royal Bank of Canada v Soundair Corp.*, [1991 CanLII 2727 \(ON CA\)](#).
3. *Bank of Montreal v Dedicated National Pharmacies Inc. et al.*, [2011 ONSC 4634](#).
4. *AbitibiBowater inc. (Arrangement relatif à)*, [2009 QCCS 6461](#).
5. *Ontario Securities Commission v. Bridging Income Fund L.P.*, [2022 ONSC 4472](#).
6. *GE Canada Real Estate Financing Business Property Company v 1262354 Ontario Inc.*, [2014 ONSC 1173](#).
7. [Endorsement of Justice Kimmel dated July 24, 2026](#) and [Order of Justice Kimmel dated as of July 24, 2026](#) in *Riocan Real Estate Investment Trust et al. v 2455034 Ontario Limited Partnership et al.*, Court File No. CV-25-00744295-00CL.
8. [Order of Justice Osborne dated April 3, 2025](#) at para 5 in *Nuance Pharma Ltd. v 1001138302 Ontario Inc.*, Court File No. CV-24-00719237-00CL.
9. *One Bloor West Toronto Group (The One) Inc. (Re)*, [2026 ONSC 1854](#).
10. *Confectionately Yours Inc. (Re)*, [2002 CanLII 45059](#) (ONCA).
11. *Bank of Nova Scotia v Diemer*, [2014 ONCA 851](#).
12. *Target Canada Co., (Re)*, [2015 ONSC 7574](#).
13. *Hangfen Evergreen Inc, (Re)*, [2017 ONSC 7161](#).

I certify that I am satisfied as to the authenticity of every authority, and I am satisfied that every quotation from an authority that appears in the factum accurately reproduces the text of the authority.

*Note: Under the Rules of Civil Procedure, an authority or other document or record that is published on a government website or otherwise by a government printer, in a scholarly journal or by a commercial publisher of research on the subject of the report is presumed to be authentic, absent evidence to the contrary (rule 4.06.1(2.2)).*

Date September 28, 2026

  
\_\_\_\_\_  
Signature

**SCHEDULE “B”**

**TEXT OF STATUTES, REGULATIONS & BY - LAWS**

*Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3*

**Court may appoint receiver**

**243 (1)** Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

- (a)** take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
- (b)** exercise any control that the court considers advisable over that property and over the insolvent person’s or bankrupt’s business; or
- (c)** take any other action that the court considers advisable.

**BANK OF MONTREAL**

**-and- TRS COMPONENTS LTD. et al.**  
Applicant

Respondents

Court File No. CL-26-00000330-0000

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

Proceeding commenced at  
Toronto

**FACTUM OF THE RECEIVER**  
**(Approval And Vesting Order and Ancillary Order)**

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