

**Court File No. BK-23-02975175-0031**

**DATATAX BUSINESS SERVICES LIMITED**

**SECOND REPORT OF KPMG INC.,  
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

**October 5, 2023**

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Court File No. BK-23-02975175-0031

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
DATATAX BUSINESS SERVICES LIMITED**

**SECOND REPORT OF KPMG INC.  
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

**October 5, 2023**

## I. INTRODUCTION

1. Datatax Business Services Limited (“**Datatax**” or the “**Company**”), a company amalgamated under the laws of Ontario, filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, c. B.-3, as amended (the “**BIA**”), on August 14, 2023 (the “**Filing Date**”). KPMG Inc. (“**KPMG**”) was appointed as proposal trustee (in such capacity, the “**Proposal Trustee**”) in the NOI proceedings of Datatax.
2. On August 17, 2023, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order (the “**SSP Order**”) approving, among other things:
  - (a) an Asset Purchase Agreement dated August 11, 2023 (the “**Stalking Horse APA**”) between Datatax and 2872802 Ontario Inc. (“**287 Ontario**” or the “**Stalking Horse Bidder**”) to act as the stalking horse sale agreement (the “**Stalking Horse Bid**”) in the proposed SSP (as defined herein);
  - (b) the proposed sale solicitation process (the “**SSP**”) the Company intended to have the Proposal Trustee carry out, including the bidding procedures (the “**Bidding Procedures**”) to be used in connection therewith;
  - (c) the debtor-in-possession (“**DIP**”) facility (the “**DIP Facility**”) provided by 287 Ontario (in such capacity, the “**DIP Lender**”) to Datatax in the maximum principal amount of \$2,500,000 pursuant to the Stalking Horse APA; and
  - (d) an extension of the stay of proceedings provided for under section 69 of the BIA, including extending the stay to the Subsidiaries (as defined herein), and an extension of the time for Datatax to file a proposal pursuant to section 62(1) of the BIA to October 28, 2023 (the “**Stay Period**”).
3. A copy of the SSP Order is attached hereto as **Appendix “A”**.
4. To date, the Proposal Trustee has filed one report in respect of the Company’s NOI proceedings dated August 16, 2023 (the “**First Report**”). A copy of the First Report (without appendices), which among other things, provided background information on the Company, the Stalking Horse APA, the SSP, and the DIP Facility, is attached hereto as **Appendix “B”**.

5. Copies of materials filed in these NOI proceedings are available on the Proposal’s Website for this case at: [kpmg.com/ca/datatax](http://kpmg.com/ca/datatax) (the “**Case Website**”).

## II. PURPOSE OF REPORT

6. The purpose of this report (the “**Second Report**”) is to provide the Court with information pertaining to:
  - (a) an overview of the activities of the Proposal Trustee since the Filing Date;
  - (b) the Company’s actual receipts and disbursements for the period from August 12, 2023 to September 29, 2023, including a comparison of actual to forecast results;
  - (c) the results of the SSP;
  - (d) an overview of the proposed transaction (the “**Transaction**”) between 287 Ontario and Datatax for the sale of substantially all of Datatax’s business and assets (including the shares of its operating subsidiaries) pursuant to the Stalking Horse APA (collectively, the “**Purchased Assets**”);
  - (e) the proposed Distributions (as defined herein);
  - (f) the remaining matters to be completed in these NOI proceedings;
  - (g) the fees of the Proposal Trustee and its counsel, Bennett Jones LLP (“**Bennett Jones**”), for the period from August 1, 2023 to September 30, 2023, and the Proposal Trustee’s estimate of professional fees and disbursements, including those of its counsel, required to complete the administration of these NOI proceedings (the “**Remaining Fees and Disbursements**”);
  - (h) the recommendation by the Proposal Trustee that this Court:
    - i. make an order (the “**Approval and Vesting Order**”), among other things:
      - A. approving the Transaction, and authorizing and directing the Company to execute such documents and take such additional steps as are necessary to complete the Transaction;

- B. terminating the Stay Period as against the Subsidiaries upon the earlier of: (i) October 28, 2023; and (ii) the filing of the Proposal Trustee’s Vesting Certificate (as defined herein); and
  - C. vesting in 287 Ontario, as at closing, all of Datatax’s right, title, and interest, if any, in and to all of the Purchased Assets, free and clear of all liens, charges, security interests and other encumbrances, other than permitted encumbrances as identified in the Stalking Horse APA.
- ii. make an order (the “**Distribution and Termination Order**”), among other things:
- A. approving the First Report and Second Report, and the Proposal Trustee’s activities and conduct described herein;
  - B. approving the accounts of the Proposal Trustee and its counsel, including the Remaining Fees and Disbursements, as set out in this Second Report;
  - C. authorizing the directing the Proposal Trustee to make the Distributions from proceeds received on the closing of the Transaction;
  - D. terminating the Stay Period under the NOI proceedings as against Datatax upon the earlier of: (i) October 28, 2023; and (ii) the filing by the Proposal Trustee of a certificate with this Court certifying that, among other things, all of the Remaining Matters (as defined herein) have been completed (the “**Termination Certificate**”);
  - E. upon filing of the Termination Certificate, terminating the Director and the Interim CEO (each as defined herein) from their roles for each of Datatax or the Subsidiaries (as defined herein) ; and
  - F. ordering and declaring that, effective upon their termination, the Director, the Interim CEO, and FAAN (as defined herein), be released and discharged from any and all liability that the Director, the Interim CEO, and FAAN now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Director, the Interim CEO, and FAAN while acting in their roles for each of Datatax or the Subsidiaries, save and except for any gross negligence or wilful misconduct on the their respective parts.

### III. TERMS OF REFERENCE

7. In preparing this Second Report, KPMG has relied on information and documents provided by the Company and its advisors, including unaudited financial information, Datatax’s books and records, and discussions with the Company’s representatives and its legal counsel (collectively, the “**Information**”). In accordance with industry practice, except as otherwise described in the Second Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards (“**GAAS**”) pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
8. Capitalized terms not otherwise defined herein are as defined in the Bidding Procedures and/or the affidavit of Brent Houlden, the sole Director of Datatax, affirmed October 4, 2023 (the “**October 4 Houlden Affidavit**”) and filed in support of the Company’s motions returnable on October 11, 2023. This Second Report should be read in conjunction with the October 4 Houlden Affidavit, as certain information contained in the October 4 Houlden Affidavit has not been included herein in order to avoid unnecessary duplication.
9. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

### IV. BACKGROUND

#### Company

10. Datatax is a holding company and through its subsidiaries, provides certain bookkeeping, income tax and consulting services to small businesses across Canada. The Company’s three (3) wholly owned subsidiaries include:
  - (a) Farm Business Consultants Inc. (“**FBC**”) - FBC includes all membership activities such as tax and accounting services;
  - (b) FBC Financial & Estate Planning Services Inc. (“**FEPS**”) – FEPS includes estate planning and insurance/investment services offered to members; and

- (c) Wheatland Accounting Services Ltd. (“**Wheatland**”, and together with FBC and FEPS, the “**Subsidiaries**”) – Wheatland provides tax and accounting services (similar to FBC) to members located in the Province of Saskatchewan.
11. On October 21, 2022, Fiera Private Fund VI L.P. (“**Fiera**”), in accordance with its rights pursuant to the Fiera Loan Agreement (as defined below) and underlying share pledge agreement, passed a shareholder resolution naming Brent Houlden as the sole director of Datatax (in such capacity, the “**Director**”) and removing Noah Murad and Jacob Murad as directors. Subsequently, Mr. Houlden passed shareholder resolutions of Datatax naming himself as the sole director of each of the Subsidiaries. On October 31, 2022, the Director appointed Naveed Manzoor of FAAN Advisors Group Inc. (“**FAAN**”) as interim CEO of Datatax (in such capacity, the “**Interim CEO**”) to assist with stabilizing the business.
12. On November 7, 2022, this Court entered an order pursuant to section 67(1)(e) of the PPSA (the “**PPSA Order**”) which provided, among other things:
- (a) a declaration that Fiera’s exercise of rights to appoint Brent Houlden as the sole director of Datatax was valid and enforceable; and
  - (b) that Noah Murad was removed from all his roles with Datatax and the Subsidiaries, and was to maintain a limited role, without compensation, to seek refinancing opportunities for Datatax’s obligations owed to Fiera. Noah Murad’s role was under the supervision of the Interim CEO.
  - (c) Brent Houlden is the sole director of Datatax and the Subsidiaries; and
  - (d) Naveed Manzoor of FAAN is the Interim CEO of the Datatax and the Subsidiaries.
13. A copy of the PPSA Order is attached hereto as **Appendix “C”**.
14. Since this time, the Interim CEO has been overseeing operations at Datatax and the Subsidiaries, with oversight from Mr. Houlden in his capacity as the sole director.

### **Creditors**

15. The Company’s primary creditors include Fiera Private Fund VI L.P. (“**Fiera**”) and Bank of Montreal (“**BMO**”), Datatax’s senior secured creditors that were owed approximately \$31.9 million (the “**Fiera Debt**”) and \$1.6 million (the “**BMO Debt**”), respectively, as at the Filing Date.



16. On June 22, 2022, Datatax, as borrower, the Subsidiaries, as guarantors (among others), and Fiera, as lender, entered into a term loan agreement, pursuant to which the principal amount of \$34.3 million was advanced to Datatax (the “**Fiera Loan Agreement**”). The obligations of Datatax to Fiera under the Fiera Loan Agreement were secured by, among other things, a general security agreement granted by Datatax in favour of Fiera with respect to substantially all of Datatax’s assets.
17. On July 14, 2022, Datatax entered into a letter of agreement with, among others, BMO, as lender, Datatax, as borrower, and Noah Murad and the Subsidiaries, as guarantors, pursuant to which BMO agreed to provide a facility of up to \$2,050,000, comprised of: (a) a \$50,000 corporate Mastercard facility, and (b) a \$2,000,000 revolving facility (the “**BMO Loan Agreement**”). The obligations of Datatax to BMO under the BMO Loan Agreement were secured by, among other things, an Ontario general security agreement and an Alberta general security agreement, each granted by Datatax in favour of BMO. There is an inter-creditor agreement between BMO and Fiera. BMO has priority over accounts receivables and Fiera has priority over the remaining personal and real property, equipment, inventory, etc.
18. Additionally, Datatax also issued a \$3.5 million promissory note dated June 22, 2022 to Mr. Steven Ibbotson (the “**Ibbotson Note**”), which ranks subordinate to the BMO and Fiera debts.

### **Stalking Horse Bid**

19. As described in greater detail in the First Report, Datatax and 287 Ontario entered into the Stalking Horse Agreement on August 11, 2023, pursuant to which 287 Ontario agreed to purchase the Purchased Assets, subject to higher or otherwise better offers in the SSP, and approval of the Court.
20. On the same date, 287 Ontario funded a non-refundable deposit in the amount of \$0.2 million (the “**Non-Refundable Deposit**”) and a refundable deposit in the amount of \$3.4 million (the “**Refundable Deposit**”) and together with the Non-Refundable Deposit, the “**Deposit**”) to counsel for Datatax to hold in trust. Upon issuance of the SSP Order, half of the Non-Refundable Deposit and the entire Refundable Deposit was remitted to the Proposal Trustee.
21. One of the primary objectives these NOI proceedings was to implement the SSP with a view to providing a forum for prospective purchasers to present a bid superior to that contemplated by the Stalking Horse Bid on a timeline to meet the financial and timing exigencies of the circumstances.

## V. ACTIVITIES OF THE PROPOSAL TRUSTEE

22. To date, the Proposal Trustee is of the view that Datatax has provided the Proposal Trustee with its full co-operation and unrestricted access to its books and records. The Proposal Trustee's activities since the Filing Date have included, among other things:
- (a) assisting the Company with the preparation of the consolidated cash flow forecast for the period from August 12, 2023 to November 3, 2023 (the "**Filing Cash Flow**"), including the review of the underlying assumptions;
  - (b) implementing procedures for the monitoring of the Company's receipts and disbursements and for the ongoing reporting of variances to the Filing Cash Flow;
  - (c) issuing the prescribed notice to Datatax's creditors advising of the filing of the Company's NOI, as required under the BIA;
  - (d) preparing the First Report and attending before this Court for the SSP Order;
  - (e) reviewing and processing the Company's requests for draws under the DIP Facility in accordance with the Filing Cash Flow, with approval from the DIP Lender;
  - (f) responding to calls and enquiries from the Company's creditors regarding the NOI proceedings;
  - (g) drafting of the teaser, non-disclosure agreement and other materials related to the SSP, including populating the virtual data room (the "**VDR**");
  - (h) contacting prospective interested parties in connection with the SSP, including facilitating due diligence efforts and regularly updating the VDR as appropriate;
  - (i) providing regular updates to Datatax and in connection with the SSP;
  - (j) corresponding and communicating with Jacob Murad and Noah Murad in connection with the SSP and the Bidding Procedures;
  - (k) corresponding and communicating with Fiera and its legal counsel;
  - (l) corresponding and communicating with 287 Ontario and its legal counsel;

- (m) reviewing the security opinions prepared by Bennett Jones on the validity and enforceability of the security granted by Datatax to each of Fiera and BMO;
- (n) attending to administrative matters, including maintaining the Case Website; and
- (o) preparing the Second Report.

## VI. RECEIPTS AND DISBURSEMENTS FROM AUGUST 12, 2023, TO SEPTEMBER 29, 2023

- 23. As noted, the Proposal Trustee has implemented procedures for monitoring Datatax’s consolidated receipts and disbursements on a weekly basis, including a review of forecast to actual variance analyses as compared to the Filing Cash Flow.
- 24. Set out below is a summary of Datatax’s actual to forecast results for the 7-week period from August 12, 2023 to September 29, 2023 (the “Forecast Period”):

<b>Datatax Business Services Limited (the "Company")</b>			
<b>Statement of Cash Flow - Variance</b>			
<b>For the period ending September 29, 2023</b>			
	<b>Forecast</b>	<b>Actual</b>	<b>Variance Fav/(Unfav)</b>
<b>Receipts</b>			
Sales Collections	3,147,068	3,006,704	(140,364)
<b>Total Receipts</b>	<b>3,147,068</b>	<b>3,006,704</b>	<b>(140,364)</b>
<b>Disbursements</b>			
Payroll & Benefits	3,325,425	3,287,992	37,433
Sales Tax	432,005	384,499	47,506
Rent	109,439	96,353	13,086
Operating Expenses	531,789	404,355	127,434
Professional Fees	506,281	438,828	67,453
<b>Total Disbursements</b>	<b>4,904,938</b>	<b>4,612,027</b>	<b>292,912</b>
<b>Net Operating Cash Flow</b>	<b>(1,757,870)</b>	<b>(1,605,322)</b>	<b>152,548</b>
<b>Non-Operating Cash Flows</b>			
Repayment of Interim Financing Facility	(618,500)	(618,500)	-
DIP Facility advance / (repayment)	2,000,000	2,000,000	-
<b>Total Non-Operating Cash Flow</b>	<b>1,381,500</b>	<b>1,381,500</b>	<b>-</b>
<b>Total Net Cash Flow</b>	<b>(376,370)</b>	<b>(223,822)</b>	<b>152,548</b>
<b>BMO Revolver Balance</b>			
Opening	(1,587,970)	(1,587,936)	(34)
Total Net Cash Flow	(376,370)	(223,822)	152,548
<b>Ending Balance</b>	<b>(1,964,341)</b>	<b>(1,811,758)</b>	<b>152,582</b>
<b>Available Cash</b>	<b>35,659</b>	<b>188,242</b>	<b>152,582</b>

25. As reflected in the above summary table, Datatax generated consolidated operating cash receipts of \$3.0 million as compared to forecasted receipts of \$3.1 million while disbursing \$4.6 million as compared to forecasted disbursements of \$4.9 million (excluding financing cash flows and/or DIP drawdowns) over the Forecast Period. This resulted in Datatax experiencing a net operating cash outflow of approximately \$1.6 million, as at September 29, 2023, a favourable variance of approximately \$0.2 million as compared to the Filing Cash Flow.
26. The Proposal Trustee notes that Datatax provided weekly and cumulative variance reporting to the DIP Lender on a weekly basis pursuant to the Stalking Horse APA.
27. As noted in the table above, Datatax borrowed \$2.0 million from the DIP Facility over the Forecast Period. On October 3, 2023, an additional \$0.2 million was advanced to Datatax from the DIP Facility and Datatax has advised the Proposal Trustee that it anticipates additional draws prior Closing, such that the entire \$2.5 million (the “**DIP Amount**”) available under the DIP Facility will be advanced prior to the Closing Date (as defined herein). Datatax advised the Proposal Trustee that with the additional draws on the DIP Facility, the Company is projected to have sufficient liquidity to fund operations through to the Closing Date.
28. The Proposal Trustee notes that the first draw from the DIP Facility was used by Datatax to repay the interim financing (the “**Interim Financing Facility**”) provided by an affiliate of Fiera, Fiera FP Business Financing Fund, L.P. (“**Fiera FP**”), prior to the Filing Date to cover the Company’s immediate cash needs and provide funding to commence the NOI proceedings. A total of approximately \$680,000 was repaid to Fiera FP, including principal, interest and costs, on account of the Interim Financing Facility. In accordance with the Stalking Horse APA, there will be a credit of approximately \$60,000 to the Purchase Price (as defined herein) in favour of the Stalking Horse Bidder in respect of interest and costs associated with the Interim Financing Facility.
29. The Proposal Trustee notes all draws on the DIP Facility were approved by the DIP Lender prior to funding.
30. The Proposal Trustee is of the view that the Company is acting in a manner consistent with the Filing Cash Flow and as at the date of this Second Report, there have been no material adverse changes to the Company’s operations since the Filing Date.

## VII. RESULTS OF THE SSP

31. As described in greater detail in the First Report, the Stalking Horse Bid established a benchmark for Datatax’s business and/or assets and the SSP provided a forum for prospective purchasers to present a bid superior to that contemplated by the Stalking Horse Bid on a timeline to meet the financial and timing exigencies of the circumstances. Among other things, the SSP included Bidding Procedures that incorporated the Stalking Horse Bid and the ability of the Proposal Trustee, in consultation with Datatax, to conduct an auction if qualified and competitive bids were received.
32. A summary of the key aspects of the SSP and its results are summarized below:
  - (a) commencing on August 18, 2023, the Proposal Trustee contacted 59 potential interested parties (collectively, the “**Interested Parties**”), including 20 financial parties, with regards to the transaction opportunity and the SSP. Each of the Interested Parties received an email containing background information on the proceedings, a copy of a non-confidential overview of Datatax and the key dates pursuant to the Bidding Procedures, the non-disclosure agreement (“**NDA**”) and information on next steps to explore the opportunity;
  - (b) Interested Parties looking to obtain additional information regarding the Datatax opportunity were required to execute the NDA to obtain access to the VDR maintained by the Proposal Trustee. A total of 6 parties executed the NDA (collectively, the “**Potential Bidders**”);
  - (c) the VDR contained financial, operational and other pertinent information related to Datatax, as well as copies of the SSP Order, the Bidding Procedures and an electronic copy of the Stalking Horse APA to be used by Potential Bidders to submit an offer in the SSP;
  - (d) over the course of the SSP, the Proposal Trustee followed up with the Interested Parties to confirm their receipt of the email communication with respect to the SSP, and to gauge their potential interest in pursuing the transaction opportunity. The Proposal Trustee also offered to arrange calls with any Potential Bidder to discuss the Bidding Procedures or inquire about any other aspects of the SSP;
  - (e) throughout the course of the SSP, the Proposal Trustee kept Datatax apprised on the status of the SSP and any diligence requests received from Potential Bidders;

- (f) Potential Bidders were required to submit “Qualified Bids” (as defined in the Bidding Procedures) to the Proposal Trustee on or before 12pm EST on September 29, 2023 (the “**Bid Deadline**”);
  - (g) one offer (the “**Bid**”) was received by the Proposal Trustee on September 7, 2023, as amended on or about September 11, 2023, from a Potential Bidder (the “**Bidder**”), a copy of which was provided to Datatax. The Potential Bidder requested that the Proposal Trustee confirm in writing that the Bid would be considered a “Qualified Bid” pursuant to the Bidding Procedures. The Proposal Trustee advised the Bidder that, in accordance with the terms of the Bidding Procedures, it and Datatax would not be assessing any offers received in the SSP until after the Bid Deadline. Notwithstanding the foregoing, and in an effort to be assistive, the Proposal Trustee noted that the Bid did not appear to conform to the minimum requirements for a “Qualified Bid” and suggested the Bidder review paragraph 17 of the Bidding Procedures in detail. Additionally, the Proposal Trustee welcomed resubmission of the Bid prior to the Bid Deadline. The Proposal Trustee notes that the Bidder did not revise and resubmit the Bid prior to the Bid Deadline;
  - (h) other than the Bid, no additional offers were received by the Proposal Trustee prior to the Bid Deadline. Upon review following the Bid Deadline, Datatax and the Proposal Trustee concluded that the Bid did not meet the minimum requirements of a “Qualified Bid” pursuant to the Bidding Procedures. Accordingly, on October 2, 2023, the Proposal Trustee, in accordance with the Bidding Procedures, advised the Bidder that its Bid did not constitute a Qualified Bid; and
  - (i) As a result, on October 2, 2023, the Proposal Trustee advised 287 Ontario (hereinafter referred to as the “**Purchaser**”) that the Stalking Horse Bid was declared the “Successful Bid” pursuant to the Bidding Procedures, subject to approval by the Court.
33. The Proposal Trustee has attached a copy of the Bid hereto as **Confidential Appendix “1”** in order to provide additional information to the Court in connection therewith. This information has been filed separately with the Court on a sealed and confidential basis, pending filing of the Termination Certificate.
34. During the SSP, the Proposal Trustee received requests from certain parties to speak with Mr. Ibbotson, either in his capacity as the Stalking Horse Bidder or as holder of the Ibbotson Note. The Proposal Trustee advised these parties, one of whom was the Bidder, that paragraph 13 of the Bidding

Procedures explicitly precluded any Potential Bidder from, among other things, having any discussions with any secured creditor of Datatax or any other Potential Bidder, including the Stalking Horse Bidder, regarding the SSP or any offers submitted thereunder, unless otherwise agreed by the Proposal Trustee and Datatax or ordered by the Court. The Proposal Trustee, in consultation with Datatax, rejected any requests from Potential Bidders for contact with Mr. Ibbotson to discuss any matters related to the SSP, primarily in an effort to maintain integrity of the process and to avoid any disparate treatment as among Potential Bidders.

35. On September 21, 2023, counsel to 287 Ontario advised counsel to Datatax and the Proposal Trustee that certain parties, including an individual related to the Bidder, attempted to contact Mr. Ibbotson directly to discuss the SSP. Counsel to 287 Ontario stated its client had not, nor did not intend to, respond to or acknowledge these emails. A copy of the correspondence is attached hereto as **Confidential Appendix “2”** and is being filed separately with the Court on a sealed and confidential basis, pending filing of the Termination Certificate.

## VIII. THE TRANSACTION

36. As noted above, the Stalking Horse Bid constituted the only “Qualified Bid” received as part of the SSP, was deemed to be the “Successful Bid” and now represents the only viable alternative to a liquidation of the Company’s assets through bankruptcy proceedings.
37. The key provisions and terms of the Stalking Horse APA (hereinafter referred to as the “**Asset Purchase Agreement**”) were described in the First Report and below is a summary of certain material terms as they relate to the closing of the Transaction:
- (a) Purchaser: 287 Ontario;
  - (b) Purchased Assets: substantially all of the assets of Datatax, including the shares of Subsidiaries, save and except for the Company’s minute books, corporate records and all contracts other than the Assumed Contracts (as defined in the Asset Purchase Agreement);
  - (c) Assumed Liabilities: (i) all obligations and liabilities of Datatax relating to the Purchased Assets from and after the Closing Date, and (ii) the Ibbotson Note;
  - (d) Purchase Price: the total purchase price on Closing is estimated to be approximately \$40.7 million (the “**Purchase Price**”), which is comprised of:

- i. the amount to be paid in cash to satisfy the Purchase Price which is estimated to be \$34.7 million on the Closing Date and consists of the sum of (collectively, the “**Cash Purchase Price**”):
    - A. the Non-Refundable Deposit of \$200,000;
    - B. the portion of the Refundable Deposit in excess of the amount drawn on the DIP Facility (the “**Remaining Refundable Deposit**”). The Remaining Refundable Deposit is estimated to be \$0.9 million, which will be applied on closing against payment of the Cash Purchase Price;
    - C. an amount up to \$2.0 million plus any fees, costs, and unpaid interest accrued to the Closing Date on account of the BMO Debt. The outstanding amount of the BMO Debt is estimated to be \$2.0 million on Closing; and
    - D. an amount equal to the Fiera Debt plus any interest at 7% commencing on July 15, 2023 until the Closing Date less (1) the Remaining Refundable Deposit (per B above) and (2) any amount by which the BMO Costs (as defined in the Asset Purchase Agreement) exceed \$25,000.
  - ii. assignment to and assumption of the Ibbotson Note; and
  - iii. the DIP Amount, which is estimated to be \$2.5 million on Closing.
- (e) Payment of Purchase Price: on the Closing Date, the Purchaser shall pay to the Proposal Trustee the sum of: (a) the Cash Purchase Price; plus (b) the DIP Amount; less (c) the Deposit.
- (f) Closing Date: closing of the Transaction is scheduled to occur on the date (the “**Closing Date**”) that is no sooner than two business days after the date on which the Court enters the Approval and Vesting Order and not later than the October 16, 2023 (the “**Outside Date**”).
- (g) Conditions Precedent: The Asset Purchase Agreement is subject to certain closing conditions, including, but not limited to: (a) receipt of each of the Authorizations (as defined in the Asset Purchase Agreement); (b) entry of the Approval and Vesting Order at least five (5) calendar days prior to the Outside Date, and (c) the delivery of a certificate from the Proposal Trustee (the “**Proposal Trustee’s Vesting Certificate**”) confirming the satisfaction of all conditions under the Asset Purchase Agreement and attesting that the Transaction has been completed



and confirming the closing of the sale to the Purchasers (the “**Closing**”). A copy of the Proposal Trustee’s Vesting Certificate will be filed with the Court on Closing.

- (h) Name Change: following the Closing Date, Datatax will change its name to one that does not use, alone or in combination with any other words, the words “Datatax”, “Wheatland”, “Farm Business Consultants”, “FBC Financial and Estate Planning Services”, “Harvest” and “FBC”.

- 38. A copy of the Asset Purchase Agreement is attached hereto as **Appendix “D”**.
- 39. Datatax advised the Proposal Trustee that the Purchaser requested some changes to the closing structure such that the shares of FEPS would be assigned to an entity related to the Purchaser on Closing. The Proposal Trustee notes that Section 11.10 of the Asset Purchase Agreement contemplates that the Purchaser is entitled to assign or transfer its rights to purchase the shares of any of the Subsidiaries to a related entity with the prior written consent of Datatax, which consent has been provided.
- 40. Further as noted in the October 4 Houlden Affidavit, the contemplated change does not impose any material obligations on the Company, nor does it impact any other material terms or the economics of the proposed Transaction, including the Purchase Price, the Purchased Assets or the Closing Date.

## **IX. PROPOSED DISTRIBUTIONS**

- 41. As noted in the First Report, the Proposal Trustee instructed Bennett Jones to advise as to the validity and enforceability of the security granted by the Company in favour of Fiera and BMO.
- 42. The Proposal Trustee has now received a written opinion from Bennett Jones confirming that, subject to the typical assumptions and qualifications of this nature, the Fiera Loan Agreement and security documents granted by the Company to Fiera in connection therewith are, as applicable, valid and enforceable.
- 43. The Proposal Trustee also received a written opinion from Bennett Jones confirming that, subject to the typical assumptions and qualifications of this nature, the BMO Loan Agreement and security documents granted by the Company to BMO in connection therewith are, as applicable, valid and enforceable.
- 44. The security granted by Datatax in favour of BMO and Fiera is subject to the following prior charges and security interests or claims in respect of the Purchased Assets or the proceeds received therefrom:

- (a) the Administration Charge granted in favour of the Company’s counsel, the Proposal Trustee and its counsel;
- (b) the DIP Charge granted in favour of the DIP Lender in connection with the DIP Facility;
- (c) the D&O Charge granted in favour of Datatax’s current directors and officers, as well as those of the Subsidiaries (the “**Directors and Officers**”); and
- (d) Statutory claims pursuant to the BIA (the “**BIA Claims**”).

#### Administration Charge

- 45. The SSP Order secures payment of the fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and Tyr LLP (“**Tyr**”) as counsel to Datatax, incurred both before and after the Filing Date, as a first charge on the Property or the proceeds received therefrom, and in priority to all other security interests, trust, liens, charges and encumbrances, up to a maximum of \$0.5 million.
- 46. As at the date of this Second Report, the Proposal Trustee and its counsel, have not received payment for any of their fees and disbursements incurred as part of these NOI proceedings. The Proposal Trustee and its counsel are currently holding retainer funds of \$100,000 in the aggregate, a portion of which will be used to fund the Administration Deposit (as defined herein).
- 47. As discussed further below, the outstanding fees and disbursements of the Proposal Trustee and its legal counsel, Bennett Jones, for the period ending September 30, 2023 total \$231,973 (inclusive of HST) (the “**Outstanding Accounts**”). In addition, the estimated professional fees and disbursements through to the Closing Date as estimated to be: (a) \$88,000 for Tyr (“**Tyr Estimated Remaining Fees**”); and (b) \$113,000 in Remaining Fees and Disbursements for the Proposal Trustee and its counsel (inclusive of HST).

#### DIP Charge

- 48. The DIP Facility was secured by a super priority charge granted in favour of the DIP Lender, up to a maximum of \$2.5 million, for all advances made to Datatax subsequent to the granting of the DIP Charge, which charge ranks subordinate only to the Administration Charge.
- 49. Pursuant to the Asset Purchase Agreement, the DIP Amount will be paid on Closing. Accordingly, no amounts will be owing in respect of the DIP Charge upon Closing of the Transaction.

### D&O Charge

50. The Directors and Officers received a priority charge of up to \$0.2 million to indemnify them against obligations and liabilities that they may incur as directors or officers of Datatax after the commencement of these NOI proceedings, which charge ranks subordinate to the Administration Charge and the DIP Charge.
51. The Proposal Trustee understands Datatax and its Subsidiaries have remitted sales taxes, employee payroll and related expenses (including source deductions) as well as other employment related liabilities that may attract potential liability for Directors and Officers as and when due since the Filing Date. Further, any accrued amounts that could be owing by the Subsidiaries would be assumed by the Purchasers upon Closing of the Transaction. Accordingly, the Proposal Trustee is not aware of any amounts owing that could be subject to the D&O Charge.

### BIA Claims

52. Based on the Company's creditor listing as at the Filing Date, the Proposal Trustee is not aware of any amounts owing to Datatax's employees in respect of outstanding wages and/or vacation pay as at the Filing Date that would be entitled to a priority claim pursuant to section 81.3 of the BIA.
53. The Proposal Trustee understands that the Company did not provide a registered pension plan for its employees. Accordingly, the Proposal Trustee is not aware of any amounts that could be owing pursuant to section 81.5 of the BIA.
54. As at the date of this Second Report, the Proposal Trustee is not aware of any claims, other than those noted above, that would rank in priority to the claims of Fiera or BMO as against the Purchased Assets, or the proceeds received therefrom.

### **Proposed Distributions**

55. Upon Closing of the Transaction, the Proposal Trustee estimates it will have total cash proceeds of approximately \$34.4 million. After payment of amounts owing in connection with the Administration Charge, and the BMO Debt, the Proposal Trustee notes that Fiera will suffer a shortfall on its secured advances to Datatax after taking into accrued interest and costs to date of \$0.9 million, in addition to the \$31.9 million owing as at the Filing Date.

56. Subject to this Court’s approval, the Proposal Trustee proposes to distribute substantially all of the funds in its possessions to pay the Outstanding Accounts, the Tyr Estimated Remaining Fees, the BMO Debt, and a portion of the Fiera Debt (collectively, the “**Distributions**”) as detailed below:

<b>Datatax Business Services Limited</b> <b>Proposed Distributions</b> <b>Estimated as at October 16, 2023</b>	
<b>Estimated Cash on Hand</b>	<b>\$ 34,438,607</b>
<b>Distributions</b>	
Outstanding Accounts	231,973
Tyr Estimated Remaining Fees	88,000
BMO Debt	2,000,000
Fiera Debt	32,005,634
<b>Total Distributions</b>	<b>\$ 34,325,607</b>
<b>Remaining Cash Balance</b>	<b>\$ 113,000</b>

57. Upon completion of the Distributions, the Receiver will have a remaining cash balance of \$113,000, which will be used to fund the Remaining Fees and Disbursements. If there is any residual cash remaining after payment of the Remaining Fees and Disbursements, the Proposal Trustee will pay the funds to Fiera on account of the Fiera Debt.

**X. REMAINING MATTERS TO COMPLETE IN THESE PROCEEDINGS**

58. If this Court grants the proposed Approval and Vesting Order requested herein, the Company and the Proposal Trustee will have to complete the following remaining matters prior to the termination of these proceedings (the “**Remaining Matters**”):
- (a) Closing of the Transaction and filing the Proposal Trustee’s Vesting Certificate;
  - (b) effecting the Distributions;
  - (c) completing the Name Change; and
  - (d) attending to other administrative matters incidental to these proceedings.

59. Upon Closing of the Transaction, Datatax will have no remaining assets or ongoing operations, and its employees will have been transferred to the Purchaser. Further, as noted in the October 4 Houlden Affidavit, the Director and Interim CEO will have no further steps to take with respect to Datatax upon completion of the Remaining Matters. As there is no prospect that the Company can present a viable proposal to its unsecured creditors (because the anticipated realizations from the Transaction will not exceed the amounts owed to Datatax's secured creditors or support a distribution to the Company's unsecured creditors), the Proposal Trustee has advised Datatax that it cannot support a further extension of the Stay Period.
60. In light of the above and in an effort to limit the costs associated with these proceedings, upon the completion of the Remaining Matters, there will no longer be any need for these NOI proceedings. As such, Datatax is seeking the Distribution and Termination Order, which seeks to amend the SSP Order such that the Stay Period for Datatax will terminate upon the earlier of: (a) October 28, 2023; and (b) the filing by the Proposal Trustee of a certificate with this Court certifying that, among other things, all of the Remaining Matters have been completed (the "**Termination Certificate**").
61. Upon the filing of the Termination Certificate, the proposed Distribution and Termination Order also provides for, among other things:
  - (a) the termination of the Director and the Interim CEO, and third-party releases are granted in favour thereof;
  - (b) the discharge of the Administration Charge;
  - (c) the discharge of the DIP Charge; and
  - (d) the discharge of the D&O Charge.
62. Consequently, upon the expiration of the Stay Period, an automatic bankruptcy of Datatax will result, pursuant to Section 50.4(8) of the BIA.
63. As there will be no material assets remaining in the estate upon payment of the Distributions and the Remaining Fees and Disbursements, Fiera has agreed, in order to fund the administration of the bankruptcy, to provide a limited guarantee of the fees and disbursements of KPMG as trustee in bankruptcy (including those of its legal counsel). In support of such guarantee, Fiera has agreed to the transfer by the Proposal Trustee of up to \$75,000 (the "**Administration Deposit**") from the

retainer funds received by the Proposal Trustee from the Non-Refundable Deposit upon issuance of the Termination Certificate.

## **XI. REQUEST FOR APPROVAL OF FEES AND DISBURSEMENTS**

64. KPMG and Bennett Jones have maintained detailed records of their professional time and disbursements prior to and since the Filing Date.
65. The total fees and disbursements of KPMG during the period from August 1, 2023, to September 30, 2023 (the “**KPMG Fee Period**”), amount to \$110,207.75, together with disbursements in the amount of \$9,072.75, both excluding sales taxes (collectively, the “**KPMG Accounts**”). These amounts represent professional fees and disbursements not yet approved by the Court. Attached hereto as **Appendix “E”** is the affidavit of Pritesh Patel in respect of the KPMG Accounts.
66. The total fees and disbursements of Bennett Jones during the period from August 10, 2023, to September 30, 2023 (the “**Bennett Jones Fee Period**”), amount to \$76,856.99, together with disbursements in the amount of \$9,147.94, both excluding sales taxes (collectively, the “**Bennett Jones Accounts**”). These amounts represent professional fees and disbursements not yet approved by the Court. Attached hereto as **Appendix “F”** is the affidavit of Aiden Nelms in respect of the Bennett Jones Accounts.
67. The Proposal Trustee has reviewed the Bennett Jones Accounts and confirms that the services reflected therein have been duly authorized and duly rendered and that, in the Proposal Trustee’s opinion, the charges are reasonable.
68. On the assumption that there are no delays, disputes or unforeseen developments in connection with these proceedings, including the within motion and the performance of the Remaining Matters, the Proposal Trustee has estimated fees and disbursements in the amount of \$113,000, including applicable taxes (the “**Remaining Fees and Disbursements**”), for services that have been provided, or will be provided, for the period from October 1, 2023 to the effective date of the Termination Certificate.
69. The above estimates take into consideration the reasonable professional and legal fees required to prepare the Second Report, participate in the within motion, and complete the Remaining Matters. If the actual Remaining Fees and Disbursements are less than the above estimates, no further Court

approval of fees is required. If the actual Remaining Fees and Disbursements exceed the estimates, the Proposal Trustee will seek the consent of Fiera to pay same, without further Order of the Court.

70. The fees and disbursements of the Proposal Trustee and its counsel, including the Remaining Fees and Disbursements, have been reviewed by Datatax and Fiera. The Proposal Trustee has been advised that Datatax and Fiera do not oppose these fees and disbursements.

## **XII. CONCLUSIONS AND RECOMMENDATIONS**

71. The Proposal Trustee is of the opinion that the Transaction satisfies the factors to be considered, pursuant to section 65.13(4) of the BIA. In particular, the Proposal Trustee is of the view that:

- (a) the SSP was designed to solicit interest from *bona fide* parties that would be familiar with the business and assets of Datatax. The market was extensively canvassed prior to the Filing Date by the predecessor to Datatax in 2021 and as part of the SSP, and all likely bidders have been provided with a chance to bid on the opportunity;
- (b) the SSP was fair and reasonable in the circumstances, and was approved by the Court;
- (c) the consideration payable under the Asset Purchase Agreement is fair and reasonable, represents the highest or otherwise best offer for the Purchased Assets, and would be more beneficial for the creditors of Datatax than a sale or disposition of the Purchased Assets in a bankruptcy context; and
- (d) the Asset Purchase Agreement provides for a going-concern sale to the Purchasers, which preserves significant value and maintains important client, vendor and employee relationships of Datatax and its Subsidiaries and, based on the alternatives available to the Company, the Transaction is in the best interest of the creditors and stakeholders of Datatax.

72. For the reasons set out in the Second Report, the Proposal Trustee is of the view that the relief requested by the Company is both appropriate and reasonable in the circumstances and the Proposal Trustee recommends that this Court make orders:

- (a) approving the Transaction, and authorizing and directing the Company to execute such documents and take such additional steps as are necessary to complete the Transaction;
- (b) vesting in the Purchasers, as at Closing, all of Datatax's right, title, and interest, if any, in and to all of the Purchased Assets, free and clear of all liens, charges, security interests and other

encumbrances, other than permitted encumbrances as identified in the Asset Purchase Agreement;

- (c) terminating the Stay as against the Subsidiaries upon the filing of the Proposal Trustee's Vesting Certificate;
- (d) approving the First Report and Second Report, and the Proposal Trustee's activities and conduct described herein;
- (e) approving the accounts of the Proposal Trustee and its counsel, including the Remaining Fees and Disbursements;
- (f) authorizing the directing the Proposal Trustee to make the Distributions from proceeds received on the Closing of the Transaction;
- (g) terminating the Stay Period under the NOI proceedings as against Datatax upon the earlier of:
  - (i) October 28, 2023; and
  - (ii) filing of the Termination Certificate;
- (h) upon filing of the Termination Certificate, terminating the Director and the Interim CEO from their respective roles; and
- (i) ordering and declaring that, effective upon their termination, the Director, the Interim CEO, and FAAN be released and discharged from any and all liability that the Director, the Interim CEO, and FAAN now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Director, the Interim CEO, and FAAN while acting in their roles for each of Datatax or the Subsidiaries, save and except for any gross negligence or wilful misconduct on the their respective parts.



All of which is respectfully submitted on this 5<sup>th</sup> day of October 2023.

**KPMG Inc.**  
**in its capacity as Proposal Trustee of**  
**DATATAX BUSINESS SERVICE LIMITED**  
**and not in its personal capacity**

Per



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**Pritesh Patel**  
**CIRP, LIT**  
Senior Vice President

## **APPENDIX "A"**



Court File No. BK-23-02975175-0031  
Estate File No. 31-2975175

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE )  
JUSTICE CAVANAGH )  
 )  
 )  
 )  
 )

THURSDAY, THE 17<sup>TH</sup> DAY  
OF AUGUST, 2023

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER  
THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED  
OF DATATAX BUSINESS SERVICES LIMITED, A CORPORATION FORMED UNDER  
THE LAWS OF ONTARIO**

**ORDER  
(Approval of SSP, Stalking Horse, DIP Financing, Charges and Stay Extension)**

THIS MOTION, made by Datatax Business Services Limited (“**Datatax**”), pursuant to the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) for an order, among other things: (a) abridging the time for service of the Notice of Motion and Motion Record and dispensing with further service thereof; (b) approving the Sales Solicitation Process (“**SSP**”) attached hereto as Schedule "A" and authorizing and directing KPMG Inc. (the “**Proposal Trustee**”) in consultation with Datatax and its advisors, to carry out the SSP pursuant to the terms thereof and to take such steps and execute such documentation as may be necessary or incidental to the SSP; (c) approving the asset purchase agreement dated August 11, 2023 (the “**Stalking Horse APA**”) between Datatax and 2872802 Ontario Inc. (the “**Stalking Horse Bidder**”) solely for the purpose of acting as the stalking horse bid in the SSP; (d) approving the debtor in possession facility (the “**DIP Facility**”) to be provided to Datatax by the Stalking Horse Bidder, including the registration of a priority charge granted in favour of the Stalking

Horse Bidder (the “**DIP Charge**”) over all present and future assets, properties and undertakings of Datatax (the “**Property**”); (e) approving a \$500,000 priority charge granted in favour of the Proposal Trustee, counsel to the Proposal Trustee, and counsel to Datatax (the “**Administration Charge**”) over the Property to secure the fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee, and counsel to Datatax; (f) approving a \$200,000 priority charge granted in favour of the directors and officers of Datatax and the Datatax Subsidiaries (as defined below) (the “**D&O Charge**”) over the Property to secure the liabilities that Datatax or the Datatax Subsidiaries (as defined below) may incur during the Notice of Intention to File a Proposal proceedings which are or may become personal liabilities of the directors and officers of Datatax or the Datatax Subsidiaries; (g) extending the stay of proceedings to Farm Business Consultants Inc. (“**Farm**”), FBC Financial & Estate Planning Services Inc. (“**FBC Financial**”) and Wheatland Accounting Services Ltd. (“**Wheatland**”, together with Farm and FBC Financial, the “**Datatax Subsidiaries**”); and (h) extending the time for Datatax to file a proposal and granting a corresponding stay of proceedings (including for the Datatax Subsidiaries) pursuant to the BIA until October 28, 2023, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of Brent Houlden affirmed August 15, 2023 and the Exhibits thereto (the “Houlden Affidavit”), and on reading the first report of the Proposal Trustee dated August 16, 2023 (the “**First Report**”), and on hearing submissions of counsel for Datatax, the Proposal Trustee, Fiera Debt Fund VI L.P. and those other parties present.

**SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Motion, the Motion Record and the First Report is hereby abridged and validated so that this Motion is properly returnable today and hereby the requirement for any further service is dispensed with.

**SALES SOLICITATION PROCESS**

2. THIS COURT ORDERS AND DECLARES that (subject to any amendments thereto that may be made in accordance therewith) the SSP attached hereto as Schedule "A", including the "stalking horse" solicitation process set out therein, are hereby approved and accepted.

3. THIS COURT ORDERS that the Proposal Trustee, in consultation with Datatax and its advisors, is hereby authorized and directed to implement the SSP pursuant to the terms thereof and Datatax and the Proposal Trustee are authorized to take all steps and do all things reasonably necessary or incidental to implement the SSP.

4. THIS COURT ORDERS that each of Datatax and the Proposal Trustee, and their respective affiliates, officers, directors, partners, employees, advisors, counsel and agents shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of the SSP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of Datatax or the Proposal Trustee, as applicable, as determined by this Court in a final order that is not subject to appeal or other review.

**STALKING HORSE APA**

5. THIS COURT ORDERS that the Stalking Horse APA is hereby authorized and approved (with such amendments as Datatax and the Stalking Horse Bidder, with the consent of the Proposal Trustee, may deem necessary or desirable), solely for the purposes of being the Stalking Horse Bid under the SSP. For greater certainty, nothing herein approves the sale and vesting of any property described in the Stalking Horse APA to the Stalking Horse Bidder and the approval of any sale and vesting of any such property shall be considered by this Court on a subsequent motion made to this Court if the Stalking Horse APA is the successful bid pursuant to the SSP.

**DIP FACILITY**

6. THIS COURT ORDERS that the DIP Facility as set out in the Stalking Horse APA is hereby approved, and Datatax is authorized to borrow and shall otherwise obtain financing under the DIP Facility from the Stalking Horse Bidder pursuant to the terms of the Stalking Horse APA and that Datatax and the Stalking Horse Bidder, with the approval of the Proposal Trustee, are permitted to enter into any other agreements required to implement the DIP Facility.

7. THIS COURT ORDERS that the Stalking Horse Bidder shall be entitled to the benefit of the DIP Charge on the Property, as security for the DIP Facility to a maximum amount of \$2,500,000, in accordance with the priority set out herein. The filing, registration or perfection of the DIP Charge shall not be required, and the DIP Charge shall be valid and enforceable for all purposes, including against any right, title or interest

filed, registered, recorded or perfected notwithstanding any such failure to file, register, record or perfect.

### **ADMINISTRATIVE CHARGE**

8. THIS COURT ORDERS that the Proposal Trustee, counsel to the Proposal Trustee, and counsel to Datatax shall be entitled to the benefit of the Administrative Charge on the Property, as security for their professional fees and disbursements to a maximum amount of \$500,000, in accordance with the priority set out herein. The filing, registration or perfection of the Administrative Charge shall not be required, and the Administrative Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected notwithstanding any such failure to file, register, record or perfect.

### **D&O CHARGE**

9. THIS COURT ORDERS that the directors and officers of Datatax and the Datatax Subsidiaries shall be entitled to the benefit of the D&O Charge on the Property, as security for any personal liability incurred by the directors and officers in their roles with Datatax or the Datatax Subsidiaries to a maximum amount of \$200,000, in accordance with the priority set out herein. The filing, registration or perfection of the D&O Charge shall not be required, and the D&O Charge shall be valid and enforceable for all purposes, including against any right, title or interest filed, registered, recorded or perfected notwithstanding any such failure to file, register, record or perfect.

**PRIORITY**

10. THIS COURT ORDERS that the priority of the DIP Charge, Administrative Charge, D&O Charge and all existing security held by any creditor prior to the issuance of this Order, shall be as follows:

- i. First – the Administration Charge;
- ii. Second – the DIP Charge;
- iii. Third – the D&O Charge; and
- iv. Fourth – existing security interests in such priority as they currently have.

**STAY OF PROCEEDINGS**

11. THIS COURT ORDERS that the time within which Datatax is to make a proposal pursuant to section 62(1) of the BIA, and the corresponding stay of proceedings provided for in section 69 of the BIA, is hereby extended in accordance with section 50.4(9) of the BIA up to and including October 28, 2023.

12. THIS COURT ORDERS that the stay of proceedings provided for under section 69 of the BIA is hereby extended to the Datatax Subsidiaries in accordance with section 50.4(9) of the BIA up to and including October 28, 2023.



**GENERAL**

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

14. THIS COURT ORDERS that Datatax and the Proposal Trustee may, from time to time, apply to this Court for advice and directions in the discharge of their powers and duties hereunder and under the SSP.

15. THIS COURT ORDERS that this Order shall have full force and effect in all provinces and territories in Canada and as against all Persons against whom it may otherwise be enforced.

16. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, to give effect to this Order and to assist Datatax and the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Datatax and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Proposal Trustee and Datatax and their respective agents in carrying out the terms of this Order.

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# Schedule "A"

## Sales Solicitation Process

## Procedures for the Sale Solicitation Process

On August 14, 2023, Datatax Business Services Limited ("**Datatax**") filed a notice of intention to make a proposal (the "**NOI**") pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"). KPMG Inc. was named as the proposal trustee under the NOI (in such capacity, the "**Proposal Trustee**").

On August 17, 2023, the Superior Court of Ontario (Commercial List) in the City of Toronto (the "**Court**") granted an order (the "**SSP Order**") pursuant to the BIA, authorizing Datatax to undertake a sale solicitation process ("**SSP**") for the sale of its assets (the "**Property**") and business operations (the "**Business**") conducted through its operating subsidiaries, FBC Financial & Estate Planning Services Inc., Farm Business Consultants Inc., and Wheatland Accounting Services Inc. (collectively, the "**Opcos**"). The SSP will be conducted by the Proposal Trustee in the manner set forth herein.

Among other things, the SSP Order also: (a) approved the procedures set out in this Schedule (the "**Bidding Procedures**") for the solicitation of offers or proposals (each a "**Bid**") for the acquisition of all the Property and Business of Datatax, and (b) approved the form of asset purchase agreement entered into on August 11, 2023 between Datatax, as seller, and 2872802 Ontario Inc., as purchaser (the "**Stalking Horse Bidder**") (as same may be amended from time to time pursuant to its terms, the "**Stalking Horse Agreement**") as the "Stalking Horse Bid" for the purposes of the SSP, provided that the Stalking Horse Agreement and the transactions provided for therein must be submitted to the Court for consideration in a subsequent application upon completion of the SSP or upon termination thereof and the Stalking Horse Agreement being the Successful Bid (as defined below).

### **Bidding Procedures**

#### ***Opportunity***

1. The SSP is intended to solicit interest from qualified parties in an acquisition of all the Property and Business of Datatax, with a completion date of a transaction or transactions no later than Monday, October 16, 2023 (the "**Opportunity**").
2. The Stalking Horse Agreement constitutes a qualified Bid by the Stalking Horse Bidder for all purposes and at all times under this SSP and will serve as the Stalking Horse Bid for purposes of this SSP and these Bidding Procedures.

#### ***General Terms***

3. The Bidding Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning Datatax and the Business, the manner in which bidders may participate in the SSP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith.
4. The Proposal Trustee, in consultation with Datatax, may at any time and from time to time, modify, amend, vary or supplement the Bidding Procedures, without the need for obtaining an order of the Court or providing notice to Bidders, Qualified Bidders, or the Successful Bidder, provided that the Proposal Trustee determines that such modification, amendment, variation or supplement is expressly limited to changes that do not materially alter, amend or prejudice the rights of such Bidders (including the rights of the Stalking Horse Bidder, except with the authorization of the Stalking Horse Bidder) and that are necessary or useful in order to give effect to the substance of the SSP, the Bidding Procedures and the SSP Order. Notwithstanding the foregoing and for greater certainty, any modification to the dates and time limits indicated in the table contained in paragraph 4 herein will require the authorization of the Secured Lender, acting reasonably. The Proposal Trustee will post on the Proposal Trustee's website, as soon as practicable, any such modification, amendment, variation or supplement to the Bidding Procedures and inform the bidders impacted by such modifications.

5. In the event of a dispute as to the interpretation or application of the SSP Order or Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.
6. The Proposal Trustee, in consultation with Datatax, may, as it deems appropriate, consult with Fiera Private Debt Fund VI L.P. (the “**Secured Lender**”) throughout the SSP upon such assurances as to confidentiality as the Proposal Trustee may require.
7. Participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, the Auction and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

A summary of the key dates pursuant to the SSP is as follows:

Event	Timing
<p><b>1. Preparation</b></p> <p>Datatax to assemble due diligence information and set up VDR</p> <p>Proposal Trustee to prepare a Teaser Letter and NDA</p>	<p>In advance of Court approval of the SSP Order</p> <p>Thursday, August 17, 2023</p>
<p><b>2. Notice</b></p> <p>Datatax to publish notice of the SSP in <i>The Globe and Mail (National Edition)</i></p> <p>Proposal Trustee to distribute Teaser Letter and NDA to potentially interested parties</p>	<p>Within five (5) days following issuance of the SSP Order for Teaser Letter and NDA to be distributed.</p> <p>Tuesday, August 22, 2023</p> <p>Within five (5) business days following issuance of the SSP Order for notice to be published in <i>The Globe and Mail (National Edition)</i>.</p> <p>Thursday, August 24, 2023</p>
<p><b>3. Bid Deadline</b></p>	<p>43 days following issuance of SSP Order</p> <p>Friday, September 29, 2023</p>
<p><b>4. Notice to Qualified Bidders</b></p> <p>Proposal Trustee to notify each Bidder in writing as to whether its Bid constitutes a Qualified Bid</p>	<p>Within three (3) days following Bid Deadline</p> <p>Monday, October 2, 2023</p>
<p><b>5. Auction Date</b></p>	<p>Five (5) days following Bid Deadline</p> <p>Wednesday, October 4, 2023</p>
<p><b>6. Sale Approval Motion</b></p>	<p>Wednesday, October 11, 2023</p>

## 7. Closing – Successful Bid

Friday, October 13, 2023 or  
such earlier date as is achievable.

Anticipated deadline for closing of Successful Bid  
being the Target Closing Date

Monday, October 16, 2023

## 8. Outside Date – Closing

Outside Date by which the Successful Bid must  
close

### ***Solicitation of Interest: Notice of the SSP***

8. As soon as reasonably practicable, but, in any event, by no later than five (5) days after the granting of the SSP Order:
  - a) the Proposal Trustee, in consultation with Datatax, will prepare a list of potential bidders, including (i) parties that have approached Datatax or the Proposal Trustee indicating an interest in the Opportunity, (ii) strategic and financial parties who the Proposal Trustee, in consultation with Datatax, believe may be interested in purchasing all the Property and Business, and (iii) parties that showed an interest in Datatax and/or its assets prior to the date of the SSP Order i, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the “**Known Potential Bidders**”); and
  - b) the Proposal Trustee, in consultation with Datatax, will prepare a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SSP and inviting recipients of the Teaser Letter to express their interest pursuant to the SSP; and (ii) a non-disclosure agreement in form and substance satisfactory to the Proposal Trustee and Datatax and their respective counsel which shall enure to the benefit of any purchaser of the Business or Property or any part thereof (an “**NDA**”).
9. The Proposal Trustee will cause the Teaser Letter and NDA to be sent to each Known Potential Bidder by no later than five (5) days from the SSP Order and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Proposal Trustee as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.
10. As soon as reasonably practicable, but, in any event, by no later than five (5) business days after the granting of the SSP Order, the Proposal Trustee will arrange for a notice of the SSP and any other relevant information that Datatax, in consultation with the Proposal Trustee, considers appropriate to be published as soon as reasonably practicable after the date hereof in *The Globe and Mail (National Edition)*.

### ***Potential Bidders and Due Diligence Materials***

11. Any party who wishes to participate in the SSP (a “**Potential Bidder**”) must provide to the Proposal Trustee (i) an NDA executed by it, (ii) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder, and (iii) any other information that the Proposal Trustee may reasonably request.
12. A confidential virtual data room (the “**VDR**”) in relation to the Opportunity will be made available by Datatax or by the Proposal Trustee to Potential Bidders that have executed the NDA. The VDR will be made available as soon as practicable. The Proposal Trustee may also, in consultation with Datatax, limit the access of any Potential Bidder to any confidential information in the VDR where the Proposal Trustee may also, in consultation with Datatax, reasonably determine that such access could negatively impact the SSP, the ability to maintain the confidentiality of the information, the Business or its value.

13. Without limiting the generality of any term or condition of any NDA between Datatax on the one hand, and any Potential Bidder or Bidder, on the other, unless otherwise agreed by the Proposal Trustee and Datatax or ordered by the Court, no Potential Bidder or Bidder shall be permitted to have any discussions with (a) any counterparty to any contract with Datatax or its subsidiaries, any secured creditor of Datatax, any current or former director, manager, shareholder, officer, member or employee of Datatax and its subsidiaries (or any of them), other than in the normal course of business and wholly unrelated to Datatax, the potential transaction, the confidential information, the SSP or the NOI, and (b) any other Potential Bidder or Bidder regarding the SSP or any bids submitted or contemplated to be submitted pursuant thereto. Notwithstanding the foregoing, where any such communications are agreed to with the Proposal Trustee's consent, such discussions shall be made in the presence of the Proposal Trustee.
14. A Potential Bidder that has executed an NDA will be provided a copy of the Stalking Horse Agreement, and any material amendments thereto, as soon as practicable.
15. Datatax, the Proposal Trustee, and their respective advisors make no representation or warranty as to the information contained in the Teaser Letter or otherwise made available pursuant to the SSP.

### ***Formal Binding Offers***

16. Potential Bidders that wish to make a formal offer to purchase the Property and Business of Datatax (a "**Bidder**") shall submit a binding offer (a "**Bid**") that complies with all of the following requirements to the Proposal Trustee, which Bid shall be delivered by such Bidder by no later than 12:00 pm (Toronto Time) on September 29, 2023 or such later date as may be communicated by the Proposal Trustee to Potential Bidders via a Bid Deadline Letter (the "**Bid Deadline**").
17. The Bid will only be considered a "Qualified Bid" if the Bid complies at a minimum with the following:
  - a) it must be a duly executed binding offer ("**Binding Offer**") to acquire all or substantially all of the Property and Business of Datatax with a purchase price stated in Canadian Dollars;
  - b) the form of consideration for the proposed sale must be in cash;
  - c) it is received by the Bid Deadline;
  - d) is accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by Datatax by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two "**Business Days**" (a day on which banks are open for business in Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario) after the date of closing of the Successful Bid; and (B) the Outside Date;
  - e) it clearly indicates that such proposal will at a minimum and on closing, provide net cash proceeds that are not less than the aggregate total of: (i) the total consideration under the Stalking Horse Agreement (being approximately \$40.7 million), plus (ii) an amount equivalent to the break fee of \$400,000, and (iii) a minimum overbid amount of \$150,000 (the amounts set forth in this paragraph 17.e), the "**Minimum Purchase Price**";
  - f) it must include a redline to the Stalking Horse Agreement;
  - g) it provides written evidence, satisfactory to the Proposal Trustee, in consultation with Datatax, of the ability to consummate the transaction within the timeframe contemplated by the SSP and to satisfy any obligations or liabilities to be assumed on closing of the transaction;
  - h) it contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before Friday, October 13, 2023, or such earlier date as is practical for the parties to close the contemplated transaction,

following the satisfaction or waiver of the conditions to closing (the "**Target Closing Date**") and in any event no later than Monday, October 16, 2023 (the "**Outside Date**");

- i) it is not subject to any financing condition;
- j) it is unconditional, other than upon the receipt of the Sale Approval Order(s) and satisfaction of any other conditions expressly set forth in the Binding Offer;
- k) it identifies all proposed material conditions to closing including, without limitation, any internal, regulatory or other approvals and any form of consent, agreement or other document required from a government body, stakeholder or other third party, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such conditions, along with information sufficient for the Proposal Trustee, in consultation with Datatax, to determine that these conditions are reasonable in relation to the Bidder;
- l) includes acknowledgments and representations of the Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Business in making its Binding Offer; (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; and (iv) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition, antitrust or other applicable governmental authorities;
- m) it is accompanied by a deposit in the amount of not less than 10% of the total consideration on closing (the "**Deposit**"), which shall be payable to the Proposal Trustee and held in trust and dealt with in accordance with paragraph 32;
- n) it contains such other information as may be reasonably requested by the Proposal Trustee, in consultation with Datatax; and
- o) it does not provide for any break fee or expense reimbursement, it being understood and agreed that no bidder will be entitled to any such bid protections.

### ***Stalking Horse Agreement***

- 18. For greater certainty, the mutual releases provided for in the Stalking Horse Agreement are personal and specific to the Stalking Horse Bidder and should not be available to other Bidders, except at the sole discretion of the Secured Lender and Datatax.
- 19. For purposes of all other Bids and Overbids, the principal payments owing to the Secured Lender shall continue to accrue all interest, fees, and expenses as permitted under the secured debt facility.

### ***Assessment of Bids***

- 20. Following the Bid Deadline, the Proposal Trustee and Datatax will assess the Bids received. The Proposal Trustee, in consultation with Datatax, may designate the most competitive Bids that comply with the requirements set out herein to be "**Qualified Bids**". In performing such review and assessment, the Proposal Trustee and Datatax, may evaluate the following non-exhaustive list of considerations: (a) the purchase price and net value (including assumed liabilities and other obligations to be performed by the bidder); (b) the claims likely to be created by such Bid in relation to other Bids; (c) the counterparties to the transaction; (d) the terms of transaction documents, including, if applicable, the proposed revisions to the Stalking Horse Agreement; (e) the closing conditions and

other factors affecting the speed, certainty and value of the transaction; (f) planned treatment of stakeholders, including employees; (g) the assets included or excluded from the Bid; (h) any restructuring costs that would arise from the Bid; (i) the likelihood and timing of consummating the transaction; (j) the capital sufficient to implement post-closing measures and transactions; and (k) any other factors the directors or officers of Datatax may, in exercising their business judgment, reasonably deem relevant.

21. Datatax and the Proposal Trustee shall be under no obligation to designate the highest or otherwise best Bid, or any Bid, as a Qualified Bid. Only Bidders whose Bids have been designated as Qualified Bids (such Bidders, being "**Qualified Bidders**") shall be eligible to participate in the Auction.
22. The Proposal Trustee shall cause each Bidder to be notified in writing as to whether its Bid constituted a Qualified Bid within three (3) Business Days of the Bid Deadline.
23. The Stalking Horse Agreement shall constitute a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder for all purposes under the SSP, including the Auction, notwithstanding anything to the contrary contained herein.
24. The Proposal Trustee, in consultation with Datatax and the Secured Lender, may waive compliance with any one or more of the requirements set out in these Bidding Procedures and deem such non-compliant Bids to be a Qualified Bid.
25. The Proposal Trustee and Datatax shall be entitled to discuss and negotiate the Bid prior to the Bid Deadline for purposes of amending or clarifying the terms and form thereof.
26. In the event that, following the expiry of twenty-nine (29) days after issuance of the SSP Order, being September 15, 2023, the Proposal Trustee concludes that there are no active participants in the SSP, the Proposal Trustee may terminate the SSP prior to the Bid Deadline. The Stalking Horse Bid would be deemed the Successful Bid without the requirement of holding the Auction, and Datatax will proceed to seek Court approval of the Stalking Horse Agreement as the Successful Bid.
27. If no Bids are designated as Qualified Bids, the Stalking Horse Bid shall be deemed the Successful Bid without the requirement of holding the Auction, and Datatax will proceed to seek Court approval of the Stalking Horse Agreement as the Successful Bid.

### **Auction**

28. The Auction will commence at a time to be designated by the Proposal Trustee, at 10:00 am (Toronto Time) on October 4, 2023, and may, in the discretion of the Proposal Trustee, be held virtually via videoconference, teleconference or such other reasonable means as the Proposal Trustee deems appropriate. The Proposal Trustee and Datatax will work in good faith with the parties entitled to attend the Auction to arrange for the Auction to be so held.
29. The Auction will be conducted in accordance with the procedures set forth in this paragraph:
  - a) Except as otherwise permitted in the Proposal Trustee's discretion, only Datatax, the Proposal Trustee, the Qualified Bidders, and the Secured Lender, and, in each case, their respective professionals and representatives, will be entitled to attend the Auction. Only Qualified Bidders (including, for greater certainty, the Stalking Horse Bidder) are eligible to participate in the Auction;
  - b) Prior to the Auction, the Proposal Trustee will identify, in consultation with Datatax, the highest and best of the Qualified Bids received, taking into account all factors that they reasonably deem relevant to the value of such bid, including, among other things, those considerations listed in paragraph 20, above. Such Qualified Bid will constitute the opening bid for the purposes of the Auction (the "**Opening Bid**"). Subsequent bidding will continue in minimum



increments valued at not less than \$150,000 cash in excess of the Opening Bid (each, an “Overbid”), or as otherwise declared by the Proposal Trustee during the Auction with the approval of Datatax;

- c) The Opening Bid shall be disclosed to all Qualified Bidders participating in the Auction. The Auction shall be conducted such that all Overbids will be made and received, on an open basis, and all Auction participants will be entitled to be present for all bidding with the understanding that the true identity of each Auction participant will be fully disclosed to all other Auction participants and that all material terms of each subsequent bid will be fully disclosed to all other Auction participants throughout the entire Auction;
- d) Except as otherwise set forth herein, the Proposal Trustee, in consultation with Datatax, may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are: (i) not inconsistent with the SSP Order, the SSP, the Bidding Procedures, the BIA, or any order of the Court issued in connection with the NOI; (ii) disclosed to each Qualified Bidder; and (iii) designed, in the Proposal Trustee's business judgment, to result in the highest and otherwise best offer;
- e) The Proposal Trustee may arrange for the actual bidding at the Auction to be transcribed or recorded. Each Qualified Bidder participating in the Auction will designate a single individual to be its spokesperson during the Auction;
- f) Each Qualified Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with Datatax or any other person regarding the SSP, that has not been disclosed to all other Qualified Bidders. For greater certainty, communications between the Stalking Horse Bidder and either Datatax or the Proposal Trustee with respect to and in preparation of the Stalking Horse Agreement, the SSP, the Bidding Procedures and other ancillary matters prior to the issuance of the SSP Order and the commencement of the SSP will not represent collusion nor communications prohibited by this paragraph;
- g) All Qualified Bidders will have the right, at any time, to request that the Proposal Trustee announce, subject to any potential new bids, the then-current highest and best bid and, to the extent requested by any Qualified Bidder, use reasonable efforts to clarify any and all questions such Qualified Bidder may have regarding the Proposal Trustee's announcement of the then-current highest and best bid;
- h) Each participating Qualified Bidder will be given reasonable opportunity to submit an Overbid at the Auction to any then-existing Overbids. The Auction will continue until the bidding has concluded and there is one remaining Qualified Bidder. At such time and upon the conclusion of the bidding, the Auction will be closed, and the final remaining Qualified Bidder will be the Successful Bidder;
- i) During the Auction, the Proposal Trustee, in consultation with Datatax, will:
  - i. review Overbids, taking into account all factors that they reasonably deem relevant to the value of such bid, including, among other things, those considerations listed in paragraph 21, above; and
  - ii. identify the highest or otherwise best Overbid received at any given time during the Auction, with the highest or otherwise best such bid or bids at the conclusion of the Auction being the Successful Bid, and the Qualified Bidder making such Bid the Successful Bid.
- j) Upon selection of a Successful Bidder, the Proposal Trustee will require the Successful Bidder to deliver, as soon as practicable, an amended and executed transaction document that reflects

their final bid and any other modifications submitted and agreed to during the Auction, prior to the filing of the application material for the hearing to consider the Sale Approval Motion;

- k) The Proposal Trustee and Datatax will not consider any bids submitted after the conclusion of the Auction;
30. The Successful Bid will be selected by no later than 5:00 p.m. (Eastern Time) on October 5, 2023 and the completion and execution of definitive documentation in respect of the Successful Bid must be finalized and executed no later than October 6, 2023, which definitive documentation will be conditional only upon the receipt of the Sale Approval Order(s) and the express conditions set out therein and will provide that the Successful Bidder will use all reasonable efforts to close the proposed transaction by no later than the Target Closing Date, or such longer period as may be agreed to by the Proposal Trustee, in consultation with Datatax and the Successful Bidder. In any event, the Successful Bid must be closed by no later than the Outside Date.

### ***Sale Approval Motion***

31. Datatax will apply to the Court (the "**Sale Approval Motion**") for one or more orders: (i) approving the Successful Bid and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting order so as to vest title to any purchased assets in the name of the Successful Bidder (collectively, the "**Sale Approval Order(s)**"). The Sale Approval Motion will be held on a date to be scheduled by Datatax and confirmed by the Court upon application by Datatax.

### ***Deposits***

32. The Deposit(s):
- a) will, upon receipt from the Qualified Bidder(s), be retained by the Proposal Trustee and deposited in a non-interest-bearing trust account;
  - b) received from the Successful Bidder, will:
    - i. be applied to the purchase price to be paid by the applicable Successful Bidder, upon closing of the approved transaction; and
    - ii. otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid, provided that all such documentation will provide that the Deposit will be retained by Datatax and forfeited by the Successful Bidder, if the Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the Successful Bid; and
  - c) received from the Qualified Bidder(s) that are not the Successful Bid will be fully refunded, to the Qualified Bidder(s) that paid the Deposit(s) as soon as practical following the closing of the Successful Bid.

### ***Further Orders***

33. At any time during the SSP, Datatax, the Secured Lender or the Proposal Trustee may apply to the Court for advice and directions with respect to any aspect of this SSP including, but not limited to, the continuation of the SSP or with respect to the discharge of its powers and duties hereunder.

### ***Supervision of the SSP***

34. The Proposal Trustee shall oversee and conduct the SSP, in all respects, and, without limitation to that supervisory role, the Proposal Trustee will participate in the SSP in the manner set out in this SSP, the SSP Order, and any other orders of the Court, and is entitled to receive all information in relation to the SSP.
35. This SSP does not and will not be interpreted to create any contractual or other legal relationship between Datatax or the Proposal Trustee and any Potential Bidder, Bidder, Qualified Bidder, Successful Bidder or any other party, other than as specifically set forth in a definitive agreement that may be entered into with Datatax.
36. Without limiting the generality of preceding paragraph, the Proposal Trustee shall not have any liability whatsoever to any person or party, including, without limitation, any Potential Bidder, Bidder, Qualified Bidder, Successful Bidder, Datatax, or any other creditor or other stakeholder of Datatax, for any act or omission related to the process contemplated by this SSP. By submitting a Bid, each Bidder shall be deemed to have agreed that it has no claim against the Proposal Trustee for any reason whatsoever.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL UNDER THE *BANKRUPTCY AND INSOLVENCY*  
*ACT*, R.S.C. 1985, c. B-3, AS AMENDED OF DATATAX BUSINESS  
SERVICES LIMITED, A CORPORATION FORMED UNDER THE  
LAWS OF ONTARIO

Court File No. BK-23-02975175-0031  
Estate File No. 31-2975175

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

Proceeding commenced at TORONTO

**ORDER**

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Lawyers for the Datatax Companies

## **APPENDIX "B"**

**Court / Estate File No: 31-2975175**

**DATATAX BUSINESS SERVICES LIMITED**

**FIRST REPORT OF KPMG INC.,  
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

**August 16, 2023**

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## APPENDICES

**APPENDIX “A”** – CERTIFICATE OF FILING ISSUED BY SUPERINTENDENT OF BANKRUPTCY ON AUGUST 14, 2023

**APPENDIX “B”** – CORPORATE ORGANIZATIONAL CHART

**APPENDIX “C”** – LIST OF DATATAX CREDITORS INCLUDED WITH ITS NOI FILING

**APPENDIX “D”** – BREAK FEE ANALYSIS AS AT JUNE 19, 2023

**APPENDIX “E”** – BIDDING PROCEDURES

**APPENDIX “F”** – CASH FLOW FORECAST FOR THE PERIOD AUGUST 12, 2023 TO NOVEMBER 3, 2023

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
DATATAX BUSINESS SERVICES LIMITED**

**FIRST REPORT OF KPMG INC.  
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

**August 16, 2023**



## I. INTRODUCTION

1. Datatax Business Services Limited (“**Datatax**” or the “**Company**”), a company amalgamated under the laws of Ontario, filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, c. B.-3, as amended (the “**BIA**”), on August 14, 2023 (the “**Filing Date**”). Attached hereto as **Appendix “A”** is the Certificate of Filing of a Notice of Intention to Make a Proposal issued by the Office of the Superintendent of Bankruptcy.
2. KPMG Inc. (“**KPMG**” or the “**Proposal Trustee**”) consented to act as proposal trustee in the NOI proceedings of Datatax.
3. KPMG was previously retained by Fiera Private Fund VI L.P. (“**Fiera**”) on March 6, 2023 to assist Fiera and its legal counsel with contingency planning and the exploration of realization strategies, including a potential sale process in respect of the Company’s business. This mandate was paused in late June 2023. KPMG was then subsequently retained by Datatax on or about August 2, 2023 to assist the Company and its legal counsel with contingency planning and the preparation of materials for the NOI.
4. During that time, KPMG obtained an understanding of the Company’s financial challenges and prospective interested parties in the business, which knowledge will assist KPMG to fulfil its duties as Proposal Trustee.
5. This report (the “**First Report**”) is being filed by the Proposal Trustee in connection with the Company’s motion returnable August 17, 2023.

## II. PURPOSE OF REPORT

6. The purpose of the First Report is to provide the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) with information pertaining to:
  - (a) certain background information in respect of the Company’s operations, creditors and causes of financial difficulties;
  - (b) Datatax’s cash flow projections (the “**Cash Flow Forecast**”) for the period from August 12, 2023 to November 3, 2023 (the “**Forecast Period**”);

- (c) an Asset Purchase Agreement dated August 11, 2023 (the “**Stalking Horse APA**”) between Datatax and 2872802 Ontario Inc. (“**287 Ontario**” or the “**Stalking Horse Bidder**”), and the salient terms thereof, for the sale of substantially all of Datatax’s business and assets (including the shares of its operating subsidiaries) which, subject to the approval of this Court, is proposed to act as the stalking horse sale agreement (the “**Stalking Horse Bid**”) in the proposed SSP (as defined herein);
- (d) the Company’s proposed post-filing strategy, including an outline of the sale solicitation process (the “**SSP**”) Datatax proposes to have the Proposal Trustee carry out, including a description of the bidding procedures (the “**Bidding Procedures**”) to be used in connection therewith;
- (e) summarize the key terms of the debtor-in-possession (“**DIP**”) facility (the “**DIP Facility**”) to be provided by 287 Ontario (in such capacity, the “**DIP Lender**”) to Datatax in the maximum principal amount of \$2,500,000 pursuant to the Stalking Horse APA;
- (f) the proposed priority charges;
- (g) an extension of the time for Datatax to file a proposal to October 28, 2023 (the “**Extension**”); and
- (h) the recommendation by the Proposal Trustee that this Court issue an order, among other things:
  - i. approving the Stalking Horse APA; solely for the purpose of acting as the Stalking Horse Bid in the SSP;
  - ii. approving the SSP and the Bidding Procedures, and authorizing and directing the Proposal Trustee, in consultation with Datatax and its advisors, to implement the same;
  - iii. approving the DIP Facility;
  - iv. extending the stay of proceedings to the Subsidiaries (as defined herein);
  - v. approving the Administration Charge, the DIP Charge, and the D&O Charge (each as defined herein), and the proposed priority ranking of such priority charges; and
  - vi. approving Datatax’s request for the Extension.

### III. TERMS OF REFERENCE

7. In preparing this First Report, KPMG has relied on information and documents provided by the Company and its advisors, including unaudited financial information, Datatax's books and records, and discussions with the Company's representatives and its legal counsel (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in the First Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
8. Future orientated financial information contained in the Cash Flow Forecast is based on the Company's estimates and assumptions regarding future events. Actual results will vary from the information presented even if the hypothetical assumptions occur, and variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether the Cash Flow Forecast will be achieved.
9. Capitalized terms not otherwise defined herein are as defined in the affidavit of Brent Houlden, the sole Director of Datatax, affirmed August 15, 2023 (the "**Houlden Affidavit**") and filed in support of the Company's motion returnable August 17, 2023. This First Report should be read in conjunction with the Houlden Affidavit, as certain information contained in the Houlden Affidavit has not been included herein in order to avoid unnecessary duplication.
10. Materials filed in these NOI proceedings will be made available by KPMG on its website for this case at: [kpmg.com/ca/datatax](http://kpmg.com/ca/datatax) (the "**Case Website**").
11. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

## IV. BACKGROUND

12. Information with respect to Datatax's business, operations and causes of insolvency are detailed extensively in the Houlden Affidavit. The information contained herein is not intended to be an exhaustive review of all matters relating to the business of Datatax and accordingly, the Proposal Trustee recommends that readers review the materials filed by Datatax in respect of its motion.

### Corporate Overview

13. Datatax was amalgamated under the laws of the Province of Ontario by its predecessors, Datatax Business Services Limited, 1000148156 Ontario Inc., and 1000037021 Ontario Inc. The Company's registered head office is located at 15 Mill Street in Thornhill, Ontario.
14. Datatax is a holding company and through its subsidiaries, provides certain bookkeeping, income tax and consulting services to small businesses across Canada. The Company's three (3) wholly owned subsidiaries include:
  - (a) Farm Business Consultants Inc. ("**FBC**") - founded in 1952 under the laws of the Province of Ontario. FBC includes all membership activities such as tax and accounting services;
  - (b) FBC Financial & Estate Planning Services Inc. ("**FEPS**") – established in 1998 under the laws of the Province of Ontario. FEPS includes estate planning and insurance/investment services offered to members; and
  - (c) Wheatland Accounting Services Ltd. ("**Wheatland**", and together with FBC, FEPS and Datatax, the "**Group**") – acquired by Datatax in 2021, Wheatland provides tax and accounting services (similar to FBC) to members located in the Province of Saskatchewan.
15. The Group's core business is tax services, and it utilizes a membership model to provide its members with year-round support services including tax return preparation, tax planning, payroll, bookkeeping, audit representation, and financial planning, all for a fixed annual fee. The fee is based on a standardized schedule that factors in revenue size, entity type and individual headcount. The typical member profile is a farm, small business, sole proprietor or corporation with \$150,000+ in annual revenue.
16. In 2022, the Group collectively had over 200 employees and served over 20,000 members across its network of 12 offices located throughout Canada, with its largest operations in Ontario, Alberta and Saskatchewan.

17. The shareholders of Datatax include:
  - (a) 997322 Ontario Inc. (“**997 Ontario**”), which is an entity controlled by Monica Murad;
  - (b) 2394419 Ontario Limited (“**239 Ontario**”), which is an entity controlled by Noah Murad, a former director of Datatax and currently employed by Datatax, without compensation, as a Vice President with a mandate to seek refinancing opportunities for Datatax’s obligations owed to Fiera; and
  - (c) 2774118 Ontario Inc. (“**277 Ontario**”), which is an entity controlled by Jacob Murad, a former director of Datatax.
18. Each of 997 Ontario, 239 Ontario and 277 Ontario (collectively, the “**Shareholders**”) own 1/3 of the issued and outstanding share capital of Datatax. The Shareholders acquired Datatax in 2022 through a transaction with its former owner and sole shareholder, Steven Ibbotson, which acquisition closed on or about June 22, 2022 (the “**Murad Sale**”).
19. A corporate organizational chart of the Shareholders and the Group is attached hereto as **Appendix “B”**.
20. The Proposal Trustee notes that only Datatax commenced NOI proceedings while FBC, FEPS and Wheatland (collectively, the “**Subsidiaries**”) continue to operate in the normal course.
21. As at the Filing Date, the Proposal Trustee understands Datatax employed two (2) full-time non-unionized employees, including Noah Murad pursuant to the PPSA Order (as defined herein).

## **Creditors**

22. A copy of the creditor list included in the NOI filing is attached hereto as **Appendix “C”**.
23. As detailed on the creditor listing, Fiera and Bank of Montreal (“**BMO**”) are the senior secured creditors of Datatax that are owed an estimated \$31.9 million and \$1.6 million, respectively. Additionally, Datatax also issued a \$3.5 million promissory note dated June 22, 2022 to Steven Ibbotson (the “**Ibbotson Note**”), which ranks subordinate to the BMO and Fiera debt (the Ibbotson Note was inadvertently missed on the creditor listing included in the NOI filing).
24. On June 22, 2022, Datatax, as borrower, the Subsidiaries, as guarantors (among others), and Fiera, as lender, entered into a term loan agreement, pursuant to which the principal amount of \$34.3 million

was advanced to Datatax (the “**Fiera Loan Agreement**”) in connection with the Murad Sale. The obligations of Datatax to Fiera under the Fiera Loan Agreement were secured by, among other things, a general security agreement granted by Datatax in favour of Fiera with respect to substantially all of Datatax’s assets. The outstanding balance owing to Fiera as at the Filing Date was approximately \$31.9 million (the “**Fiera Debt**”).

25. On July 14, 2022, Datatax entered into a letter of agreement with, among others, BMO, as lender, Datatax, as borrower, and Noah Murad and the Subsidiaries, as guarantors, pursuant to which BMO agreed to provide a facility of up to \$2,050,000, comprised of (a) a \$50,000 corporate Mastercard facility, and (b) a \$2,000,000 revolving facility (the “**BMO Loan Agreement**”). The outstanding balance owing to BMO as at Filing Date was approximately \$1.6 million (the “**BMO Debt**”). There is an inter-creditor agreement between BMO and Fiera. BMO has priority over accounts receivables and Fiera has priority over the remaining personal and real property, equipment, inventory, etc.
26. The Proposal Trustee’s independent legal counsel, Bennett Jones LLP (“**Bennett**”) has commenced a review of Fiera’s and BMO’s security and will render an opinion in due course with respect to the validity and enforceability thereof.
27. As reflected in Appendix “C”, the Company estimates that it has unsecured obligations totaling approximately \$222,038 as at the Filing Date.
28. The Company advises that all employee related amounts are current, and all required remittances of employee withholdings and sales taxes (HST and PST) have been made when due.

#### **Events of Default and Change in Governance**

29. On September 26, 2022, Fiera issued a demand letter (the “**Demand Letter**”) to Datatax and the Shareholders, demanding the full amount owing under the Fiera Loan Agreement as a result of certain events of default that occurred, as noted in the Houlden Affidavit. Subsequently, on or around October 17, 2022, Fiera learned that additional events of default under the Fiera Loan Agreement had occurred and were continuing including, but not limited to Datatax and/or the Subsidiaries being in arrears on account of source deduction, property taxes and sales taxes.
30. As a result of the foregoing, on October 21, 2022, Fiera, in accordance with its rights the Fiera Loan Agreement and underlying share pledge agreement, passed a shareholder resolution naming Brent Houlden as the sole director of Datatax and removing Noah Murad and Jacob Murad as directors. Subsequently, as detailed in the Houlden Affidavit, Mr. Houlden passed shareholder resolutions of

Datatax naming himself as the sole director of each of the Subsidiaries. On October 31, 2022, Mr. Houlden appointed Naveed Manzoor of FAAN Advisors Group Inc. as interim CEO of Datatax (in such capacity, the “**Interim CEO**”) to assist with stabilizing the business.

31. Despite their initial objections, the Proposal Trustee understands the Shareholders ultimately consented to the aforementioned changes in governance and that on November 7, 2022, this Court entered an order pursuant to section 67(1)(e) of the PPSA (the “**PPSA Order**”) which provided, among other things:
  - (a) a declaration that Fiera’s exercise of rights to appoint Brent Houlden as the sole director of Datatax was valid and enforceable; and
  - (b) that Noah Murad was removed from all his roles with Datatax and the Subsidiaries, and was to maintain a limited role, without compensation, to seek refinancing opportunities for Datatax’s obligations owed to Fiera. Noah Murad’s role was under the supervision of the Interim CEO.
32. After issuance of the PPSA Order, the Interim CEO has been overseeing operations at the Group, with oversight from Mr. Houlden in his capacity as the sole director.

### **Fiera Accommodations**

33. As detailed in the Houlden Affidavit, the Group has experienced cash flow issues since the Murad Sale. As a result, Datatax and the Subsidiaries entered into various deferral and acknowledgment agreements with Fiera (collectively, the “**Deferral and Acknowledgment Agreements**”) pursuant to which Fiera agreed to defer mandatory prepayments and/or scheduled principal payments pursuant to the Fiera Loan Agreement in order to allow the Group to maintain the necessary liquidity to continue operations in the normal course.
34. On February 16, 2023, counsel to Fiera sent a letter to the Group and put them on notice of several additional defaults that occurred under both the Fiera Loan Agreement and the Deferral and Acknowledgment Agreements, including the Group: (i) being in breach of certain financial covenants as set out in the Fiera Loan Agreement; and (ii) continuing to be in arrears of source deduction obligations.
35. During the week of July 31, 2023, the Group faced another critical cash flow deficit such that there were insufficient funds to meet payroll and other critical payments. In order to ensure continuity of

its business, Datatax was able to negotiate a term sheet to secure interim financing (the “**Interim Financing Facility**”) from an affiliate of Fiera, Fiera FP Business Financing Fund, L.P. (“**Fiera FP**”), to cover the Group’s immediate cash needs and provide funding to commence the NOI proceedings. The Interim Financing Facility is for a maximum principal amount of \$3.0 million, which included an initial tranche of \$750,000 (the “**Initial Fiera FP Tranche**”), which includes a \$100,000 interest reserve and a commitment fee that was advanced by Fiera FP prior to the commencement of the NOI proceedings.

36. The Interim Financing Facility contemplated that Datatax would enter into the Stalking Horse APA and proceed forthwith to file the NOI and seek this Court’s approval of the Stalking Horse APA and the SSP. The Stalking Horse APA also provides for replacement DIP financing, which would be used in part to satisfy the Interim Financing Facility from Fiera FP.
37. As detailed in the Houlden Affidavit, prior to and since the issuance of the PPSA Order, Datatax has considered various restructuring alternatives, including exploring potential refinancing opportunities and canvassing potential buyers for Datatax’s business. However, the Proposal Trustee understands that none of these discussions have resulted in any binding offer (other than the Stalking Horse APA) and all exclusivity arrangements in respect of same are at an end.
38. Given the various defaults, Datatax’s continuing liquidity challenges and its inability to repay its outstanding obligations to Fiera , the Proposal Trustee understands Fiera is not willing to continue to support Datatax absent the commencement of a public sales process by way of the SSP.

## **V. OBJECTIVES OF THE NOI PROCEEDINGS**

39. The Proposal Trustee understands that the primary objectives of these NOI proceedings are to:
  - (a) ensure Datatax has the necessary stability to maintain operations as a going concern;
  - (b) implement the SSP with a view to providing a forum for prospective purchasers to present a bid superior to that contemplated by the Stalking Horse Bid on a timeline to meet the financial and timing exigencies of these circumstances; and
  - (c) effect a going concern sale of the business of the Company, either to the Stalking Horse Bidder or another party as a result of the SSP, with a view to maximizing value for the benefit of the Group’s stakeholders, including, among others, employees, secured lenders, and members.



## VI. THE STALKING HORSE APA

40. Datatax, the Stalking Horse Bidder, Fiera and their respective counsel, in consultation with the proposed Proposal Trustee, have negotiated the terms and provisions of the Stalking Horse APA pursuant to which the Stalking Horse Bidder is proposed to, on an ‘as is, where is’ basis, substantially all of the business and assets of Datatax, including the shares of the Subsidiaries, subject to higher or otherwise better offers, and approval of the Court.
41. The material terms of the Stalking Horse APA, a copy of which is attached as Exhibit “T” to the Houlden Affidavit, are as follows:
- (a) Purchaser: 287 Ontario, an entity controlled by Steven Ibbotson, the owner of the Group prior to the Murad Sale;
  - (b) Purchased Assets: substantially all of the assets of Datatax including the shares of the Subsidiaries, save and except for the Company’s minute books, corporate records and all contracts other than the Assumed Contracts (as defined in the Stalking Horse APA);
  - (c) Assumed Liabilities: (i) all obligations and liabilities of Datatax relating to the Purchased Assets from and after the Closing Date, and (ii) the Ibbotson Note;
  - (d) Purchase Price: the total purchase price is estimated to be approximately \$40.7 million (the “**Purchase Price**”), which is comprised of:
    - i. the amount to be paid in cash which consists of the sum of:
      - A. the Non-Refundable Deposit (as defined herein);
      - B. the portion of the Refundable Deposit (as defined herein) in excess of the amount drawn on the DIP Facility (the “**Remaining Refundable Deposit**”), which will be applied on closing against payment of the Cash Purchase Price;
      - C. an amount up to \$2.0 million plus any fees, costs, and unpaid interest accrued to the Closing Date on account of the BMO Debt; and
      - D. an amount equal to the Fiera Debt plus any interest at 7% commencing on July 15, 2023 until the Closing Date less (1) the Remaining Refundable Deposit (per B

above) and (2) any amount by which the BMO Costs (as defined in the Stalking Horse APA) exceed \$25,000 (collectively, the “**Cash Purchase Price**”);

- ii. assignment to and assumption of the Ibbotson Note; and
  - iii. the outstanding amount drawn on the DIP Facility (plus accrued interest) at the Closing Date.
- (e) Deposit: a non-refundable deposit in the amount of \$0.2 million (the “**Non-Refundable Deposit**”) and refundable deposit in the amount of \$3.4 million (the “**Refundable Deposit**” and together with the Non-Refundable Deposit, the “**Deposit**”). Up to \$2.5 million of the Refundable Deposit may be used by Datatax as a debtor-in-possession credit facility (as discussed further in Section VIII of the First Report). The Deposit was funded by the Stalking Horse Bidder on August 11, 2023 and is currently being held in trust by the Company’s counsel;
- (f) Break Fee: \$400,000
- (g) Closing Date: two business days after the date on which the Court enters an order approving (the “**Approval and Vesting Order**”) the transactions contemplated under the Stalking Horse APA and not later than the Outside Date (the “**Closing Date**”).
- (h) Outside Date: October 16, 2023.
- (i) Termination: the Stalking Horse APA may be terminated prior to the Closing Date upon the occurrence of, but not limited to, one of the following:
- i. by mutual agreement of Datatax and the Stalking Horse Bidder;
  - ii. automatically if the Approval and Vesting Order shall not have been granted by the Outside Date, or such later date as may be agreed to between the parties;
  - iii. by Datatax if there has been a material breach of the Stalking Horse APA by 287 Ontario where such breach has not been cured within 15 days; or
  - iv. by 287 Ontario if it is not the Successful Bidder (as hereinafter defined) following the completion of the SSP, the Approval and Vesting Order shall fail once granted or has been amended without prior consent of 287 Ontario, or if there is a material breach of

the Stalking Horse APA by Datatax where such breach has not been cured within 15 days.

- (j) Financing: the Stalking Horse APA does not contain any financing conditions and the Proposal Trustee understands that the Stalking Horse Bidder has made satisfactory arrangements in respect of necessary financing to complete the transaction should it be selected as the Successful Bidder.
42. As noted above, the Stalking Horse APA provides for payment of the Break Fee payable to the Stalking Horse Bidder in the event 287 Ontario is not the Successful Bidder pursuant to the SSP. The Proposal Trustee notes that the Stalking Horse APA does not contemplate an expense reimbursement and that the Break Fee represents approximately 1% of the Purchase Price.
43. The Proposal Trustee has reviewed recent comparable stalking horse agreements wherein bid protections have been approved in transactions of this nature, and notes that the proposed Break Fee is on the lower end of market parameters, which typically range between 1.0% to 7.0% of the purchase price with an average of 3.7%. To that end, the Proposal Trustee compared the proposed Break Fee to others approved by the Canadian court in insolvency proceedings commenced between 2020 to 2023. The comparison is attached as **Appendix "D"**. Based on the foregoing, the Proposal Trustee is of the view that the proposed Break Fee is fair and reasonable in the circumstances and will not unduly “chill” bidding on the Purchased Assets as part of the proposed SSP (as described in further detail below).
44. The Stalking Horse APA sets a “floor price” for the Purchased Assets. The SSP, as discussed below, will provide for a fair and transparent marketing process that should allow Datatax to maximize realizations by seeking higher or otherwise better offers for the Purchased Assets.

## **VII. THE SALE SOLICITATION PROCESS**

45. As set out in the Houlden Affidavit, Datatax, with the assistance of its advisors and in consultation with the Proposal Trustee, has concluded that a restructuring focusing on completing a sale of the assets and business of Datatax pursuant to the proposed SSP, will maximize value for all stakeholders.

### **Pre-Filing Marketing Efforts**

46. The Proposal Trustee understands that in starting in 2021, the predecessor to Datatax retained a financial advisor to assist with marketing the business for sale, under that process, the market was extensively canvassed with 250+ strategic and financial parties contacted. As noted above, this process ultimately concluded in the Murad Sale.
47. The Proposal Trustee also understands that while informal efforts were undertaken since shortly after the Murad Sale, and following the granting of the November 2022 Order, to seek refinancing and/or a sale of the business, to date, Datatax has not received any finalized binding commitments (other than the Stalking Horse APA) to invest in or acquire the assets and business of Datatax.
48. As part of the proposed SSP, the Proposal Trustee, in consultation with Datatax, intends to contact any parties that previously expressed serious interest in Datatax as part of any prior formal or informal marketing of the business.

### **Bidding Procedures<sup>1</sup>**

49. Given the Company's limited liquidity, Datatax, in consultation with the Proposal Trustee, developed the SSP to promote a competitive, fair, and expedient sale process that seeks to maximize the value of the Purchased Assets.
50. The purpose of the SSP is to identify one or more purchasers for Datatax's business and/or assets. In order to provide interested parties with an opportunity to bid on the Purchased Assets, the Proposal Trustee proposes to aggressively market the Company's business and assets to prospective purchasers for a period of approximately 43 days. As noted below, the proposed timelines, while seemingly compressed, are reasonable in the circumstances and on a schedule that is consistent with the milestones set forth in the Stalking Horse APA and Datatax's liquidity constraints.

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<sup>1</sup> Terms used but not otherwise defined in this section have the meaning ascribed to them in the Bidding Procedures.

51. The following table summarizes the key dates and timelines pursuant to the SSP:

Date	Event
By August 22, 2023	Proposal Trustee to distribute Teaser Letter and NDA to Interested Parties
By August 24, 2023	Datatax to publish notice of the SSP in The Globe and Mail (National Edition)]
September 29, 2023 at 12:00 p.m. (EST)	Bid Deadline
October 2, 2023	Deadline to notify "Potential Bidders" of their status as "Qualified Bidders"
October 4, 2023 at 10:00 a.m. (EST)	Auction Date (if required) to be held virtually via videoconference, teleconference or such other reasonable means
October 11, 2023	Sale Approval Motion to approve and authorize the sale transaction(s) to the Successful Bidder(s)
October 13 / October 16, 2023	Target Closing Date / Outside Date

52. The key features of the Bidding Procedures, a copy of which is attached hereto as **Appendix “E”**, are outlined below:

- (a) Notice: within five (5) days from the issuance of an order approving the SSP, the Proposal Trustee will distribute: (i) an offering summary describing the transaction opportunity and outlining the process under the SSP; and (ii) a form of non-disclosure agreement (the “**NDA**”) to a list of interested parties (the “**Interested Parties**”), which list has been developed by the Proposal Trustee and Datatax.
- (b) Diligence: Interested Parties that wish to participate in the SSP (the “**Potential Bidders**”) will be required to provide the Proposal Trustee: with (i) an executed NDA; (ii) a letter detailing the identity of the Potential Bidder; its direct and indirect principals, and contact information for such Potential Bidder and (iii) any other information that the Proposal Trustee may reasonably request. Potential Bidders that wish to commence due diligence on the Purchased Assets will be provided, by the Proposal Trustee, with a copy of the Stalking Horse APA and

access to a virtual data room (the “VDR”) that contains confidential financial and other information relating to the Group and its operations.

(c) Qualified Bidder: The Stalking Horse Bidder is considered a “Qualified Bidder” and the Stalking Horse APA is considered a “Qualified Bid” pursuant to the Bidding Procedures. In order to be considered a “Qualified Bid”, the Bid must comply with, among other things:

- i. form of consideration for the proposed sale must be in cash;
- ii. includes written evidence, satisfactory to the Proposal Trustee, in consultation with Datatax, of the ability to close the transaction within the timeframes contemplated by the SSP and satisfy any obligations or liabilities to be assumed on closing;
- iii. includes a written statement that such offer be binding and irrevocable unless and until the earlier of: (i) two (2) business days after the date of closing of the Successful Bid; and (ii) the Outside Date;
- iv. provide for a cash purchase price that exceeds the Purchase Price (i.e. approx. \$40.7 million) by at least \$550,000, which represents the sum of: (i) the Break Fee; and (ii) a minimum overbid amount of \$150,000;
- v. be accompanied by a deposit equal to not less than 10% of the total purchase price on closing;
- vi. include a markup to the Stalking Horse APA to show any amendments and modifications thereto;
- vii. not include any financing conditions or other conditions that are less favorable than the conditions in the Stalking Horse APA; and
- viii. be received by the Proposal Trustee on or prior to 12:00 p.m. (prevailing Eastern Time) on September 29, 2023 (the “**Bid Deadline**”).

(d) Auction: significant aspects of the Auction include the following:

- i. if the Proposal Trustee does not receive a Qualified Bid with respect to the Purchased Assets, other than the Stalking Horse APA, the Proposal Trustee, after consultation with

Datatax, will not hold an Auction (as defined herein) and the Stalking Horse APA will be deemed the Successful Bid on the Bid Deadline;

- ii. if one or more Qualified Bids (in addition to the applicable Stalking Horse APA) are received by the Bid Deadline for the Purchased Assets, the Proposal Trustee will conduct an auction commencing at 10:00 a.m. on October 4, 2023 via videoconference, teleconference or other reasonable means the Proposal Trustee deems appropriate (the “**Auction**”) and Qualified Bidders will be invited to attend in order to determine the Successful Bidder;
- iii. only the Proposal Trustee, Datatax, Fiera, the Stalking Horse Bidder, and any other Qualified Bidders, along with their respective representatives and advisors, will be entitled to attend the Auction;
- iv. prior to the Auction, the Proposal Trustee will identify, in consultation with Datatax, which of the Qualified Bid(s) will constitute the opening bid (the “**Opening Bid**”) at the Auction. The Opening Bid shall be disclosed to all Qualified Bidders participating in the Auction;
- v. bidding at the Auction will begin with the Opening Bid and continue in bidding increments (each a “**Subsequent Bid**”) providing a net incremental value of at least an additional \$150,000 above the Opening Bid (each, an “**Overbid**”);
- vi. the Auction shall be conducted such that all Overbids will be made and received, on an open basis. Each participating Qualified Bidder will be given reasonable opportunity to submit an Overbid at the Auction to any then-existing Overbids;
- vii. the Auction will continue until the bidding has concluded and there is one remaining Qualified Bidder. At such time and upon the conclusion of the bidding, the Auction will be closed, and the Proposal Trustee shall declare the final remaining Qualified Bidder the successful bidder (the “**Successful Bidder**” and such bid, the “**Successful Bid**”); and
- viii. upon selection of a Successful Bidder, the Proposal Trustee will require the Successful Bidder to deliver, as soon as practicable, an amended and executed transaction document that reflects the Successful Bid.

53. The Bidding Procedures provide that the Proposal Trustee, in consultation with Datatax, may at any time and from time to time, modify, amend, vary or supplement the Bidding Procedures, without the need for obtaining an order of the Court or providing notice to Bidders, Qualified Bidders, or the Successful Bidder, provided that the Proposal Trustee determines that such modification, amendment, variation or supplement is expressly limited to changes that do not materially alter, amend or prejudice the rights of such Bidders (including the rights of the Stalking Horse Bidder, except with the authorization of the Stalking Horse Bidder) and that are necessary or useful in order to give effect to the substance of the SSP and the Bidding Procedures. The Proposal Trustee will post on the Case Website, as soon as reasonably practicable, any such modification, amendment, variation or supplement to the Bidding Procedures and inform the bidders impacted by such modifications.
54. Notwithstanding the foregoing, paragraph 26 of the SSP provides that if after twenty-nine (29) days after the issuance of an order approving the SSP (being September 15, 2023, assuming an order is granted by the Court on August 17, 2023), the Proposal Trustee concludes that there are no active participants in the SSP, the Proposal Trustee may terminate the SSP prior to the Bid Deadline. In such case, the Stalking Horse Bid will be deemed to be the Successful Bid without the requirement of holding the Auction, and Datatax would proceed to seek Court approval of the Stalking Horse APA as the Successful Bid.
55. Among other things, the Bidding Procedures, which were negotiated with the Stalking Horse Bidder, provide for an orderly and appropriately competitive process through which potential acquirers may submit bids for the Purchased Assets. Additionally, the Bidding Procedures will allow the Proposal Trustee, in consultation with Datatax, to conduct the Auction, if required, in a fair and transparent manner that will encourage participation by financially capable bidders with demonstrated ability to consummate a timely transaction.
56. In the Proposal Trustee's view, the SSP and the Bidding Procedures are consistent with market practice, provide a reasonable opportunity for potential purchasers to submit higher or otherwise better offers to the Stalking Horse APA, and are reasonable and appropriate in the circumstances.

## **VIII. DIP FACILITY**

57. Based on the Cash Flow Forecast, Datatax will require DIP financing in order to maintain sufficient liquidity during the NOI proceedings to implement the SSP.



58. As noted above, up to \$2.5 million from the Refundable Deposit has been made available to Datatax by the Stalking Horse Bidder to contribute towards Datatax’s ongoing working capital requirements during NOI proceedings, pursuant to a proposed senior secured, super-priority DIP Facility. The DIP Lender informed the Debtor that its willingness to provide such financing was predicated on entering into the Stalking Horse APA.
59. The terms of the proposed DIP Facility were negotiated by Datatax, Fiera, the Stalking Horse Bidder and their respective advisors. The Proposal Trustee was kept up to date on these discussions, and was consulted on certain issues as appropriate and necessary.
60. Principal terms of the DIP Facility, include, without limitation, the following:

<b>Basic Provisions</b>	<b>Description</b>
<b>Availability</b>	\$2,500,000
<b>Borrower</b>	Datatax
<b>Interest rate</b>	12% per annum, due and payable, on the Closing Date, which interest will be waived upon the Closing Date where Stalking Horse Bidder is the Successful Bidder in the SSP
<b>Restricted Uses</b>	The DIP Facility may not be used by Datatax to pay fees and disbursements for the Insolvency Professionals (as defined herein)
<b>Security</b>	The DIP Facility will be secured by a super priority charge granted in favour of the DIP Lender for all advances made to Datatax subsequent to the granting of the DIP Charge, which charge shall rank subordinate only to the Administration Charge.
<b>Repayment</b>	Any advances under the DIP Facility are refundable (including accrued interest) if the Stalking Horse Bidder is not the Successful Bidder but otherwise any amounts advanced will not be repaid and form part of the Purchase Price.

61. As noted in the Cash Flow Forecast, upon this Court granting of the proposed DIP Charge, a portion of the initial advance under the DIP Facility will be used as repayment of the Initial Fiera FP Tranche. The remainder of the DIP Facility will be made available to Datatax in weekly draws in accordance with the Cash Flow Forecast.
62. The Proposal Trustee is of the view that, given the nature of the Company’s assets and the terms of the existing Fiera Debt, the financial terms of the DIP Facility appear commercially reasonable and comparable to other recent DIP financing packages in Canada. Interest on the DIP Facility, which is

lower than interest on the Interim Financing Facility (12% vs. 14.2%) is to accrue and is not required to be paid as part of the cashflows of the Company, until the Closing Date. Further if the Stalking Horse Bidder is the Successful Bidder pursuant to the SSP, interest on the DIP Facility would be waived.

## **IX. CASH FLOW FORECAST**

63. Datatax, in consultation with the Proposal Trustee, has prepared the Cash Flow Forecast for the purpose of projecting the Company's estimated liquidity needs during the Forecast Period. A copy of the Cash Flow Forecast, notes and a report containing prescribed representations of the Company regarding the preparation of the Cash Flow Forecast are attached hereto as **Appendix "F"**.
64. The Cash Flow Forecast has been prepared by Datatax on a conservative basis using probable and hypothetical assumptions set out in the notes to the Cash Flow Forecast. Due to the integrated nature of the Group's operations, the Cash Flow Forecast is presented on a consolidated basis and includes the receipts and disbursements of Datatax and the Subsidiaries. The Cash Flow Forecast reflects the Group's estimates of receipts and disbursements on a weekly basis over the Forecast Period.
65. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussions related to Information supplied to it by Datatax and/or its advisors. Since the hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee also reviewed the support provided by management of the Company for the probable and hypothetical assumptions, and the preparation and presentation of the Cash Flow Forecast.
66. Based on the Proposal Trustee's review, nothing has come to its attention that causes it to believe that, in all material respects:
  - (a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
  - (b) as at the date of this First Report, the probable assumptions developed by the Company are not suitably supported and consistent with the restructuring plan of Datatax or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
  - (c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

67. As at August 14, 2023, the Group had approximately \$0.4 million of available cash on hand. The Cash Flow Forecast projects that Datatax will generate cash receipts of \$6.0 million and cash disbursements of \$8.2 million, for a net operating cash outflow of approximately \$2.2 million (excluding repayment of the Initial Fiera FP Tranche and before any DIP drawdown) over the Forecast Period. Accordingly, the Company will be required to draw on the proposed DIP Facility, if approved, immediately in order to have sufficient funds to continue to operate and run the proposed SSP.
68. The Cash Flow Forecast forecasts borrowings under the DIP Facility in the amount of \$2.5 million over the Forecast Period
69. As evidenced by the Cash Flow Forecast, without access to the DIP financing, the Company lacks sufficient liquidity to maintain ordinary course operations. The DIP Facility will provide Datatax with sufficient funding during the Forecast Period to ensure continued operations during the NOI proceedings.
70. The Proposal Trustee notes that the Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

## **X. PROPOSED PRIORITY CHARGES**

71. In connection with the Debtor's motion, Datatax is seeking approval for a number of priority charges (collectively the "**Charges**") on the current and future assets, undertakings and properties of Datatax wherever located, including all proceeds thereof, that rank in the following order:
  - (a) First, the Administration Charge (to the maximum amount of \$0.5 million);
  - (b) Second, the DIP Charge (to the maximum amount of \$2.5 million); and
  - (c) Third, the D&O Charge (to the maximum amount of \$0.2 million).

### **Administration Charge**

72. Datatax is seeking a priority charge up to a maximum of \$0.5 million (the "**Administration Charge**") in favour of the Company's counsel, the Proposal Trustee and its counsel (collectively, the "**Insolvency Professionals**"), as security for the professional fees and disbursements incurred prior to and after the commencement of the NOI proceedings.

73. Datatax was only able to provide the Insolvency Professionals with minimal retainer fees for their services as Datatax needs its available cash to fund its operations during these NOI proceedings through the DIP Facility. Further, the funds from the DIP Facility cannot be used to pay ongoing fees and disbursements of the Insolvency Professionals, and hence the reason the Administration Charge is being sought.
74. The amount of the Administration Charge sought by the Company was determined in consultation with the Proposal Trustee and meets the terms of the DIP Facility pursuant to the Stalking Horse APA.
75. Given the foregoing, the Proposal Trustee is of the view that the proposed Administration Charge is reasonable in the circumstances.

#### **DIP Charge**

76. As noted above, Datatax has insufficient liquidity to maintain operations and requires DIP financing to continue operations and pursue the proposed SSP.
77. As per the Stalking Horse APA, 287 Ontario (in its capacity as the DIP Lender) will receive the benefit of the DIP Charge to a maximum amount of \$2.5 million to cover any and all advances made to Datatax from the DIP Facility.
78. The DIP Facility will provide Datatax with access to the liquidity needed to finance its operations and working capital requirements and undertake its restructuring activities, including the SSP. The Proposal Trustee recommends that the Court approve the DIP Facility and, as such, the Proposal Trustee also supports granting the DIP Charge.

#### **D&O Charge**

79. Datatax is seeking a priority charge to indemnify its current directors and officers, as well as those of the Subsidiaries (the “**Directors and Officers**”) against obligations and liabilities that they may incur as directors or officers of the Group after the commencement of these NOI proceedings (the “**D&O Charge**”).
80. The amount of the D&O Charge has been calculated by Datatax taking into consideration sales taxes, employee payroll and related expenses (including source deductions) as well as other employment related liabilities that attract potential liability for Directors and Officers.

81. The Proposal Trustee understands (and as noted in the Houlden Affidavit) that the Group currently does not have director and officer insurance, and as such, due to the potential for personal liability, the Directors and Officers are unwilling to continue their services and involvement in the NOI proceedings without the protection of the D&O Charge. As the Company will require the participation and experience of the Directors and Officers to facilitate the successful completion of the NOI Proceedings, including participating in the SSP, the Proposal Trustee believes that the D&O Charge is required and reasonable in the circumstances. The Proposal Trustee understands Fiera has also consented to the D&O Charge.

## **XI. DATATAX'S REQUEST FOR EXTENSION**

82. Datatax is seeking an extension of the time to file a proposal to October 28, 2023 to permit the Proposal Trustee time to undertake the SSP described above. Additionally, Datatax is seeking to extend the stay of proceedings to the Subsidiaries.
83. Further as noted above, only Datatax commenced NOI proceedings while the Subsidiaries continue to operate in the normal course. As part of its motion, the Company is seeking to extend the stay of proceedings to the Subsidiaries in order to allow for the preservation of Datatax's value and an orderly completion of the SSP.
84. The Proposal Trustee supports the Company's request for the Extension as well as the request to extend the stay of proceedings to the Subsidiaries for the following reasons:
- (a) Datatax is acting in good faith and with due diligence in taking steps to facilitate a sale of its operations;
  - (b) it is the Proposal Trustee's view that an extension will not prejudice or adversely affect any group of creditors;
  - (c) the Cash Flow Forecast indicates that, subject to Court approval of the DIP Facility, Datatax is forecast to have sufficient liquidity to continue to fund operations through the period ending October 28, 2023;
  - (d) at least 30 days will be required to establish whether there is any serious interest from Interested Parties in acquiring Datatax's business and/or its assets in connection with the SSP;

- (e) given its limited resources, this would permit Datatax to avoid the costs incurred in re-attending before this Court prior to September 13, 2023 solely for the purpose of seeking a short extension of the stay until after the Bid Deadline; and
  - (f) the operations of Datatax occur through each of the Subsidiaries, each of which represent the core value of Datatax. As a result, an extension of the stay of proceedings to the Subsidiaries is necessary to ensure that the value of Datatax is preserved during the SSP.
85. While it is too early to say whether a viable proposal will be presented by Datatax to its creditors, in the Proposal Trustee's view, the Company's request for the Extension is appropriate in the circumstances, as the current extension request more properly reflects the timeframe by which the Proposal Trustee will be able to provide this Court with a meaningful update on the progress of the SSP.

## **XII. CONCLUSIONS AND RECOMMENDATIONS**

86. For the reasons set out in the First Report, the Proposal Trustee is of the view that the relief requested by the Company is both appropriate and reasonable in the circumstances and the Proposal Trustee recommends that this Court make an order, among other things:
- (a) approving the Stalking Horse APA solely for the purpose of acting as the Stalking Horse Bid in the SSP;
  - (b) approving the SSP and the Bidding Procedures, and authorizing and directing the Proposal Trustee, in consultation with Datatax and its advisors, to implement the same;
  - (c) approving the SSP and the Bidding Procedures, and authorizing and directing the Proposal Trustee, in consultation with Datatax and its advisors, to implement the same;
  - (d) approving the DIP Facility;
  - (e) approving the Administration Charge, the DIP Charge, and the D&O Charge, and proposed priority ranking of the Charges; and
  - (f) approving Datatax's request for the Extension and extension of the stay of proceedings in respect of the Subsidiaries.

All of which is respectfully submitted on this 16<sup>th</sup> day of August 2023.

**KPMG Inc.**  
**in its capacity as Proposal Trustee of**  
**DATATAX BUSINESS SERVICE LIMITED**  
**and not in its personal capacity**

Per



---

**Paul van Eyk**  
**CPA, CA-IFA, CIRP, LIT, Fellow of INSOL**  
President



---

**Pritesh Patel**  
**CIRP, LIT**  
Senior Vice President

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL UNDER THE *BANKRUPTCY AND INSOLVENCY*  
ACT, R.S.C. 1985, c. B-3, AS AMENDED OF DATATAX BUSINESS  
SERVICES LIMITED, A CORPORATION FORMED UNDER THE  
LAWS OF ONTARIO**

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

**Proceeding commenced at Toronto**

**FIRST REPORT OF THE PROPOSAL TRUSTEE**

**BENNETT JONES LLP**

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Counsel to KPMG Inc., solely in its capacity  
as proposal trustee and not in its personal capacity



## **APPENDIX "C"**



Court File No. CV-22-00689838-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE  
JUSTICE CAVANAGH

)  
)

MONDAY, THE 7<sup>th</sup>  
DAY OF NOVEMBER, 2022

**FIERA PRIVATE DEBT FUND VI L.P.**

Applicant

- and -

**997322 ONTARIO INC., 2394419 ONTARIO LIMITED, and 2774118 ONTARIO INC.**

Respondents

**APPLICATION UNDER SECTION 67(1)(E) OF  
THE PERSONAL PROPERTY SECURITY ACT (ONTARIO), R.S.O. 1990 C. P10**

**ORDER**

**THIS APPLICATION** made by Fiera Private Debt Fund VI L.P. (the "**Applicant**" or "**Fiera**") for an Order pursuant to Section 67(1)(e) of the *Personal Property Security Act* (Ontario), R.S.O. 1990 c. P10, seeking declarations in respect of the Applicant's rights under the Securities Pledge Agreements dated June 22, 2022, of all of the issued and outstanding shares of Datatax Business Services Limited ("**Datatax**") owned by the Respondents, and related relief, was heard this day by judicial videoconference by Zoom in Toronto, Ontario.

ON READING the Notice of Application, Affidavit of Russell French, Consent of the Shareholders (as defined herein), Noah Murad, Jacob Murad, and Fiera, and on hearing the submissions of counsel for the Applicant, and counsel for 997322 Ontario Inc. ("**997 Ontario**"), 2394419 Ontario Limited ("**239 Ontario**"), and 2774118 Ontario Inc. ("**277 Ontario**", together with 997 Ontario and 239 Ontario, the "**Shareholders**"):

-2-

## SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

## DECLARATION RE SECURITIES PLEDGE AGREEMENTS

### 2. **THIS COURT ORDERS AND DECLARES THAT:**

- A) Fiera's exercise of its rights as secured creditor, pursuant to the: (i) Securities Pledge Agreement dated June 22, 2022 granted by 997 Ontario in favour of Fiera; (ii) Securities Pledge Agreement dated June 22, 2022 granted by 277 Ontario in favour of Fiera; and (iii) Securities Pledge Agreement dated June 22, 2022 granted by 239 Ontario in favour of Fiera, to appoint Brent Houlden as the sole director of Datatax by way of resolution dated October 21, 2022 (the "**October 21<sup>st</sup> Resolution**") is valid and enforceable; and
- B) the "special resolution" by the directors of the Shareholders, seeking to appoint Noah and Jacob Murad as directors of Datatax is invalid and of no force and effect.

3. **THIS COURT ORDERS THAT** in accordance with the October 21<sup>st</sup> Resolution: Brent Houlden is the sole director (the "**Replacement Director**") of Datatax. Further, in accordance with resolution of Brent Houlden as authorized signatory of Datatax, the appointment of Brent Houlden as sole director of FBC Financial & Estate Planning Services Inc. ("**FBC Financial**"), Farm Business Consultants Inc. ("**Farm**"), and Wheatland Accounting Services Ltd. ("**Wheatland**"), is confirmed.

4. **THIS COURT ORDERS THAT** in accordance with the resolution of Brent Houlden as authorized signatory of Datatax, FBC Financial, Farm, and Wheatland, the appointment of Naveed Manzoor, on behalf of FAAN Advisors Group Inc. as Interim Chief Executive Officer (the "**Interim CEO**") of Datatax, FBC Financial, Farm and Wheatland, is confirmed. All officers of Datatax, FBC Financial, Farm, and Wheatland shall report directly to the Interim CEO.

5. **THIS COURT ORDERS THAT** as sole Director, Brent Houlden shall be entitled to make decisions in respect of the retainer and employment or retainer of such other officers as may be required to assist Datatax, FBC Financial, Farm, and Wheatland.

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6. **THIS COURT ORDERS** that Noah Murad will maintain the role of Executive Vice President, without compensation, of Datatax with the primary responsibility to seek refinancing opportunities for Datatax obligations. Noah Murad shall not have any operational responsibilities and reports directly to the Interim CEO. Any refinancing opportunities shall be in consultation with the Interim CEO and with full disclosure to the Interim CEO with respect to any refinancing opportunities and communications. For greater certainty, Noah Murad and Jacob Murad shall not maintain any other positions or titles with Datatax, FBC Financial, Farm, or Wheatland, pending further resolution by the Replacement Director.

**DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE REPLACEMENT DIRECTOR AND THE INTERIM CEO**

7. **THIS COURT ORDERS** that (i) Datatax, (ii) 997322 Ontario Inc., (iii) 2394419 Ontario Limited, (iv) 2774118 Ontario Inc., (v) FBC Financial, (vi) Farm, (vii) Wheatland, (viii) all of the foregoing's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, (ix) Noah Murad, (x) Jacob Murad, (xi) Roy Murad, (xii) Monica Murad, (xiii) Kailee Lewis, and (xiv) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**") and each being a "**Person**") shall forthwith advise the Replacement Director and the Interim CEO of the existence of any property of Datatax, FBC Financial, Farm, and Wheatland ("**Property**") in such Person's possession or control, shall grant immediate and continued access to the Property to the Replacement Director and the Interim CEO and shall deliver all such Property to the Replacement Director and the Interim CEO upon his request.

8. **THIS COURT ORDERS** that all Persons shall forthwith advise the Replacement Director and the Interim CEO of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of Datatax, FBC Financial, Farm, and Wheatland, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Replacement Director and the Interim CEO or permit the Replacement Director and the Interim CEO or permit him to make, retain and take away copies thereof and grant to the Replacement Director and the Interim CEO unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 8 or in paragraph 9 of this Order shall require the delivery of Records, or the granting of access to Records, which may

-4-

not be disclosed or provided to the Replacement Director or the Interim CEO due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

9. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Replacement Director and the Interim CEO for the purpose of allowing the Replacement Director and the Interim CEO to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Replacement Director and the Interim CEO in his discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Replacement Director or the Interim CEO. Further, for the purposes of this paragraph, all Persons shall provide the Replacement Director and the Interim CEO with all such assistance in gaining immediate access to the information in the Records as the Replacement Director or the Interim CEO may in his discretion require including providing the Replacement Director with instructions on the use of any computer or other system and providing the Replacement Director and the Interim CEO with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE REPLACEMENT DIRECTOR OR THE INTERIM CEO**

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

#### **LIMITATION ON THE LIABILITY OF REPLACEMENT DIRECTOR AND THE INTERIM CEO**

11. **THIS COURT ORDERS** that the Replacement Director and any officers or advisors retained by him during the course of his role and involvement with the Companies, including the Interim CEO, shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order or their role with the Debtor and its subsidiaries, save and except for any gross negligence or wilful misconduct on its part.

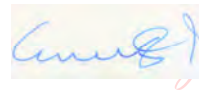
#### **GENERAL**

-5-

12. **THIS COURT ORDERS** that the Applicant, the Respondents or Replacement Director or the Interim CEO may from time to time apply to this Court for advice and directions in the discharge of powers and duties hereunder.

13. **THIS COURT ORDERS** that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by Datatax with such priority and at such time as this Court may determine.

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



Digitally signed by  
Mr. Justice  
Cavanagh

---

Applicant

Respondents

Court File No.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding Commenced at Toronto

**ORDER**

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Lawyers for the Applicant

## **APPENDIX "D"**



**2872802 ONTARIO INC.**

as Purchaser

and

**DATATAX BUSINESS SERVICES LIMITED**

as Vendor

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**ASSET PURCHASE AGREEMENT**

August 11, 2023

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**THIS FORM OF ASSET PURCHASE AGREEMENT IS SUBJECT TO REVISION BY THE PARTIES AT ANY TIME AND SHALL BE KEPT CONFIDENTIAL PURSUANT TO THE TERMS OF THE CONFIDENTIALITY AGREEMENT ENTERED INTO BY THE RECIPIENT HEREOF (OR ITS AFFILIATE) WITH RESPECT TO THE SUBJECT MATTER HEREOF. THIS FORM OF ASSET PURCHASE AGREEMENT IS NOT INTENDED TO CREATE, NOR WILL IT CREATE OR BE DEEMED TO CREATE, A LEGALLY BINDING OR ENFORCEABLE OFFER OR AGREEMENT OF ANY TYPE OR NATURE, UNLESS AND UNTIL AGREED TO AND EXECUTED BY ALL OF THE PARTIES HERETO.**

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## ASSET PURCHASE AGREEMENT

Asset purchase agreement dated August 11, 2023 between Datatax Business Services Limited ("**Datatax**" or the "**Vendor**"), and 2872802 Ontario Inc. (the "**Purchaser**") (this "**Agreement**").

### RECITALS:

- (1) The Vendor and its Affiliates are in the business of providing certain bookkeeping, income tax and consulting services (the "**Business**").
- (2) The Vendor desires to sell, transfer and assign the Purchased Assets by way of a sales process and the Purchaser has agreed to act as a "stalking horse" bidder in connection with such process.
- (3) Upon execution of this Agreement, the Purchaser paid:
  - (a) a non-refundable deposit in the amount of \$200,000 to the Vendor (the "**Non-Refundable Deposit**"); and
  - (b) a deposit in the amount of \$3,400,000 to the Proposal Trustee, in escrow (the "**Refundable Deposit**" and, together with the Non-Refundable Deposit, the "**Deposit**"), a portion of which Refundable Deposit (not to exceed \$2,500,000) may be used by the Vendor as a debtor-in-possession credit facility in accordance with the terms of this Agreement (the "**Deposit Facility**").
- (4) In the absence of a proposal for the purchase of the Purchased Assets superior to the transactions contemplated by this Agreement being received by the Vendor in accordance with the Bidding Procedures, the Purchaser has agreed to purchase such assets in accordance with the terms of this Agreement.
- (5) If such a superior proposal is received, the Vendor has agreed to initiate an Auction process in accordance with the Bidding Procedures.
- (6) Approval of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") will be sought by the Vendor (and/or the Proposal Trustee) for the transactions contemplated by this Agreement, subject to the Bidding Procedures, within a proposal proceeding under the *Bankruptcy and Insolvency Act* (the "**BIA**") to be commenced by the Vendor by filing a notice of intention (the ("**NOI Proceedings**") to make a proposal with KPMG Inc. appointed to act as proposal trustee (the "**Proposal Trustee**") in connection with such proposal and the consummation of the transactions contemplated by this Agreement, subject to this Agreement, the BIA and any order of the Court.

## ARTICLE 1 INTERPRETATION

### Section 1.1 Defined Terms.

As used in this Agreement, the capitalized terms listed below shall have the corresponding meanings.

**"Affiliate"** of a Person means any other Person that directly or indirectly controls, is controlled by or is under common control with such Person, where "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

**"Agreement"** means this asset purchase agreement.

**"Ancillary Agreements"** means all agreements, certificates and other instruments delivered or given pursuant to this Agreement.

**"Approval and Vesting Order"** means an approval and vesting order of the Court in form and in substance satisfactory to the Vendor and the Purchaser, each acting reasonably, approving this Agreement and vesting in and to the Purchaser the Purchased Assets, free and clear of and from any and all Liens to the extent and as provided for in such approval and vesting order.

**"Assignment and Assumption Agreements"** means one or more assignment and assumption agreement for the Assumed Contracts, in a form satisfactory to the Purchaser, acting reasonably.

**"Assumed Contracts"** means the Contracts listed on Schedule 2.1(e), including the Member Contracts.

**"Assumed Liabilities"** has the meaning specified in Section 2.3.

**"Auction"** has the meaning set out in the Bidding Procedures.

**"Authorization"** means, with respect to any Person, any order, permit, approval, consent, waiver, license or other authorization of any Governmental Entity having jurisdiction over the Person.

**"BIA"** has the meaning specified in the recitals of this Agreement.

**"Bidding Procedures"** means the bidding procedures attached hereto as Schedule 7.1.

**"BMO"** means the Bank of Montreal.

**"BMO Costs"** has the meaning specified in Section 3.1(2)(d).

**“Books and Records”** means all information in any form relating to the Purchased Business, including books of account, financial and accounting information and records, personnel records, tax records, sales and purchase records, customer and supplier lists, lists of potential customers, referral sources, research and development reports and records, production reports and records, equipment logs, operating guides and manuals, business reports, plans and projections, marketing and advertising materials and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices).

**“Break Fee”** shall mean an amount equal to the sum of \$400,000.

**“Business Day”** means any day of the year, other than a Saturday, Sunday or any day on which major Canadian chartered banks are closed for business in Toronto, Ontario.

**“Business”** has the meaning specified in the recitals of this Agreement.

**“Cash Flow Projections”** means the 13-week cash flow projections of the Vendor and the OpCos, prepared on a consolidated basis, set out on Schedule 1.1A to this Agreement plus a 10% variance.

**“Closing Date”** has the meaning set out in Section 9.1(1).

**“Closing”** means the completion of the transaction of purchase and sale contemplated in this Agreement.

**“Contract”** means any agreement, contract, consent (including any contractual consent or government consent), lease (including any lease pertaining to a Leased Property), license, undertaking, engagement or commitment of any nature, whether written or oral.

**“Court”** has the meaning specified in the recitals of this Agreement.

**“Deposit”** has the meaning specified in the recitals of this Agreement.

**“Deposit Facility”** has the meaning specified in the recitals of this Agreement.

**“DIP Charge”** means a Court-ordered priority charge granted to the Purchaser in and to all present and future assets, properties and undertakings of the Vendor, real and personal, tangible and intangible, whether now owned or hereafter acquired, and all proceeds thereof, the priority of which is subject only to a Court-ordered administration charge in the maximum aggregate amount of \$500,000 for the payment of Restructuring Costs.

**“DIP Amount”** means the principal obligations outstanding under the Deposit Facility at Closing which, for greater certainty, exclude any interest or fees.

**“ETA”** has the meaning specified in Section 4.2(1).

**“Excluded Assets”** has the meaning specified in Section 2.2.

**“Excluded Liabilities”** has the meaning specified in Section 2.4.

**“Fiera”** means Fiera Private Debt Fund VI L.P.

**“Fiera Debt”** means \$31,929,010.00, less costs paid to Fiera FP Business Financing Fund, L.P. in respect of the Initial Fiera FP Tranche.

**“Fiera Base Debt Amount”** has the meaning specified in Section 3.1(2)(c).

**“Governmental Entity”** means: (i) any governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, tribunal, board, bureau, agency, commissioner or instrumentality, whether international, multinational, national, federal, provincial, state, county, municipal, local, or other; (ii) any subdivision or authority of any of the above; (iii) any stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

**“Ibbotson Note”** has the meaning specified in Section 2.3(c).

**“Initial Fiera FP Tranche”** means the amount of up to \$750,000 advanced to the Vendor from Fiera FP Business Financing Fund, L.P. prior to the filing of the NOI.

**“Intellectual Property”** means all intellectual property of the Vendor used by or currently being developed for use in the Business and all rights of the Vendor therein, including all claims for past infringement, worldwide, whether registered or unregistered, including, without limitation:

- (a) all patents, patent applications and other patent rights, including provisional and continuation patents;
- (b) all registered and unregistered trade-marks, service marks, logos, slogans, corporate names, business names and other indicia of origin, and all applications and registrations therefor;
- (c) registered and unregistered copyrights and mask works, including all copyright in and to computer software programs and applications and registrations of such copyright ; software in source code or object code form, documentation, literary works, artistic works, pictorial works, graphic works, musical works, dramatic works, audio-visual works, performances, sound recordings and signals, including their content, and any compilations of any of them, whether or not registered or the subject of an application for registration, or capable of being registered;
- (d) internet domain names, applications and reservations for internet domain names, uniform resource locators and the corresponding internet sites;



- (e) industrial designs; and
- (f) trade secrets and proprietary information not otherwise listed in (a) through (e) above, including, without limitation, all inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, mask works, circuit topography, formulae, methods (whether or not patentable), designs, processes, procedures, technology, business methods, source codes, object codes, computer software programs (in either source code or object code form), databases, data collections and other proprietary information or material of any type, and all derivatives, improvements and refinements thereof, howsoever recorded or unrecorded.

**“Interim Period”** means the period between the date of this Agreement and the Closing.

**“ITA”** has the meaning specified in Section 4.2(2).

**“Laws”** means any principle of common law and all applicable (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws, (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity and (iii) to the extent that they have the force of law, standards, policies, guidelines, notices and protocols of any Governmental Entity.

**“Lien”** means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.

**“Member Contracts”** means agreements or contracts with customers of the Business.

**“NOI Proceedings”** has the meaning specified in the recitals of this Agreement.

**“Non-Refundable Deposit”** has the meaning specified in the recitals of this Agreement.

**“Notice”** has the meaning specified in Section 11.1.

**“Opcos”** has the meaning specified in the Section 2.1(b).

**“Outside Date”** means October 16, 2023.

**“Parties”** means each of the Vendor and the Purchaser and any other Person who may become a party to this Agreement.

**“Permitted Liens”** means Liens listed and described in Schedule 2.1 but only to the extent such Liens conform to their description in Schedule 2.1.

**“Person”** means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

**“Personal Information”** has the meaning ascribed thereto in the *Personal Information Protection and Electronic Documents Act* (Canada).

**“Purchase Price”** has the meaning specified in Section 3.1.

**“Purchased Assets”** has the meaning specified in Section 2.1.

**“Purchaser”** has the meaning specified in the preamble of this Agreement.

**“Refundable Deposit”** has the meaning specified in the recitals of this Agreement.

**“Related Party”** means parent companies of the Vendor, a company or entity that is controlled or significantly influenced or managed by a person who is a related party of such parent companies, shareholders of the Vendor, any Affiliate of such shareholders, the respective directors and officers of all such entities, and any persons with whom they do not deal at arm’s length, including family members.

**“Remaining Refundable Deposit”** has the meaning specified in Section 3.1(2)(b).

**“Restructuring Costs”** means the fees and expenses of the Vendor’s counsel, the Proposal Trustee and the Proposal Trustee’s Counsel, in each case as related to this Agreement and the transactions contemplated hereby, the NOI Proceedings or the Bidding Procedures from and after July 14, 2023. For greater certainty, FAAN Advisors fees and expenses and fees and expenses of the current sole director of the Vendor are not including in Restructuring Costs.

**“Sale Process Order”** means an Order of the Court to be sought by the Vendor: (i) approving the Bidding Procedures; (ii) approving this Agreement as the Stalking Horse Bid (but not as the Successful Bid); and (iii) granting the DIP Charge.

**“Stalking Horse Bid”** means the Purchaser’s bid for the Purchased Assets contemplated by this Agreement.

**“Successful Bid”** has the meaning set out in the Bidding Procedures.

**“Successful Bidder”** has the meaning set out in the Bidding Procedures.

**“Taxes”** means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies, rates, withholdings, dues, contributions and other charges, collections or assessments of any kind whatsoever, imposed by any Governmental Entity; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); and (iii) any liability for the payment of any amounts of the

type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

**“Tax Returns”** means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and other documents filed or required to be filed in respect of Taxes.

**“Transaction”** means, collectively, the sale and purchase of the Purchased Assets pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the Purchased Assets, including the assumption of the Assumed Liabilities by the Purchaser.

**“Transfer Taxes”** means all applicable Taxes, including where applicable, GST/HST (and any similar Tax under applicable provincial or territorial statute) payable upon or in connection with the transactions contemplated by this Agreement and any filing, registration, recording or transfer fees payable in connection with the instruments of transfer provided for in this Agreement.

**“Transferred Information”** means the Personal Information to be disclosed or conveyed to the Purchaser as a result of or in connection with the transaction contemplated by this agreement, and includes all such Personal Information disclosed to the Purchaser during the period leading up to and including the completion of the transaction contemplated by this Agreement.

**“Vendor”** has the meaning specified in the preamble of this Agreement.

## **Section 1.2 References and Usage.**

Unless expressly stated otherwise, in this Agreement:

- (a) reference to a gender includes all genders;
- (b) the singular includes the plural and vice versa;
- (c) “or” is used in the inclusive sense of “and/or”;
- (d) “any” means “any and all”;
- (e) the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”;
- (f) the phrase “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”;
- (g) \$ or dollars refers to the Canadian currency unless otherwise specifically indicated;

- (h) a statute includes all rules and regulations made under it, if and as amended, re-enacted or replaced from time to time;
- (i) a Person includes its predecessors, successors and permitted assigns;
- (j) the term "notice" refers to oral or written notices except as otherwise specified;
- (k) the term "Agreement" and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and all schedules to it, except as otherwise provided in this Agreement; and
- (l) whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be required to be made or such action will be required to be taken on or not later than the next succeeding Business Day and in the computation of periods of time, unless otherwise stated, the word "from" means "from and excluding" and the words "to" and "until" each mean "to and including".

### **Section 1.3 Headings, etc.**

The use of headings (e.g., Article, Section, etc.) in this Agreement is reference only and is not to affect the interpretation of this Agreement. References in the Agreement to Article, Section etc., unless otherwise specified, shall mean the applicable Article, Section, etc. of this Agreement.

### **Section 1.4 Schedules.**

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

## **ARTICLE 2 PURCHASE AND SALE**

### **Section 2.1 Purchased Assets.**

Subject to the terms and conditions of this Agreement and subject to the approval of the Court, the Vendor agree to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendor, and effective as at 12:01a.m. on the Closing Date, on an "as is, where is" basis, all of such Vendor's right, title and interest in such Vendor's property, assets and undertakings of every kind and description and wheresoever situate, of the Business, other than the Excluded Assets (collectively, the "**Purchased Assets**"), free and clear of all Liens other than Permitted Liens, including:

- (a) **Cash.** The cash of the Business.
- (b) **Shares of Opcos.** All of the issued and outstanding shares of FBC Financial & Estate Planning Services Inc., Farm Business Consultants Inc. and Wheatland

Accounting Services Ltd. (collectively, the “**Opcos**”) all of which are currently held by the Vendor;

- (c) **Property, Equipment and Supplies.** All property, equipment, computers technology, furnishings, and communications hardware and infrastructure, furniture, and accessories, parts and supplies of all kinds including office supplies, owned by the Vendor;
- (d) **Receivables.** All accounts receivable of the Vendor that are outstanding or accrued as at the Closing Date, employee notes receivable and intercompany amounts owing by Opcos to the Vendor, if any, but excluding amounts owing or receivable in respect of any Excluded Assets;
- (e) **Contracts.** The full benefit (in each case subject to the burdens, including restrictive covenants, termination rights and other obligations contained therein) of the Assumed Contracts other than the Agency Agreement between the Vendor and the Opcos which shall be terminated as of August 31, 2023;
- (f) **Authorizations.** All Authorizations, owned, held or used by a Vendor in connection with the Business or the Purchased Assets to the extent that they are transferable;
- (g) **Prepaid Expenses.** All prepaid expenses including prepaid commissions of the Business;
- (h) **Intellectual Property.** All right, title and interest of the Vendor in and to the Intellectual Property owned by or licensed to such Vendor or used by such Vendor in connection with the Business or the Purchased Assets including without limitation as set out in Schedule 2.1(h);
- (i) **Books and Records.** The Books and Records of the Vendor in the possession of or under the control of the Vendor;
- (j) **Claims.** All claims of the Vendor relating to the Business or the Purchased Assets, whether choate or inchoate, known or unknown, contingent or otherwise;
- (k) **Tax Refunds.** The benefit of any refundable Taxes payable or paid by the Vendor net of any amounts withheld by any taxing authority, and any claim or right of the Vendor to any refund, rebate, or credit of Taxes;
- (l) **Business Names.** All business names used by the Vendor in connection with the Business, whether registered or unregistered, including the name “Datatax Business Services”; and
- (m) **Goodwill.** The goodwill and intangible assets of the Business, including client lists and the exclusive right of the Purchaser to represent itself as carrying on the Business in continuation of and in succession to the Vendor.

## **Section 2.2 Excluded Assets.**

The Purchased Assets shall not include any of the following assets (collectively, the “**Excluded Assets**”):

- (a) the Vendor’s rights under or pursuant to this Agreement and the Ancillary Agreements;
- (b) the minute books and corporate records of the Vendor (other than as specifically listed herein); and
- (c) all Contracts to which a Vendor is a party other than the Assumed Contracts.

## **Section 2.3 Assumed Liabilities.**

Subject to this transaction Closing on the Closing Date, the Purchaser agrees to assume, discharge, perform and fulfil the following commitments, obligations and liabilities of the Vendor with respect to the Business and the Purchased Assets, in each case whether direct or indirect, present or future, absolute, accrued or contingent, as and from 12:01 a.m. on the Closing Date (collectively, the “**Assumed Liabilities**”):

- (a) all obligations and liabilities of the Vendor relating to the Purchased Assets (other than the Assumed Contracts) that relate to the period from and after the Closing Date;
- (b) all obligations and liabilities under the Assumed Contracts, to the extent assigned to the Purchaser, arising in respect of the period after the Closing Date;
- (c) A Promissory Note issued by the Vendor dated June 22, 2022 in the principal amount of \$3,500,000.00 in favour of Steven Ibbotson (the “**Ibbotson Note**”); and
- (d) all other obligations and liabilities expressly assumed under this Agreement.

## **Section 2.4 Excluded Liabilities**

The Purchaser shall not assume and shall have no obligation to discharge, perform or fulfil any and all Excluded Liabilities. “**Excluded Liabilities**” means any and all liabilities and obligations of the Vendor or with respect to the Business or the Purchased Assets, whether known, unknown, direct, indirect, absolute, contingent or otherwise or arising out of facts, circumstances or events other than the Assumed Liabilities, including without limitation any amounts owing by the Vendor to any Related Party. For greater certainty, all liabilities of the Opcos will remain with the Opcos.

### ARTICLE 3 PURCHASE PRICE

#### Section 3.1 Purchase Price.

- (1) The consideration paid by the Purchaser for the Purchased Assets is comprised of the Cash Purchase Price, the Non-Cash Purchase Price and the DIP Amount (the "**Purchase Price**").
- (2) The amount to be paid in cash towards the satisfaction of the Purchase Price (the "**Cash Purchase Price**") shall consist of the following:
  - (a) the Non-Refundable Deposit of \$200,000, which shall be paid to the Proposal Trustee on signing of this Agreement and be available to immediately be applied as a contribution to the Restructuring Costs;
  - (b) that portion of the Refundable Deposit in excess of the DIP Amount (the "**Remaining Refundable Deposit**"), which will be applied on Closing against payment of the Cash Purchase Price;
  - (c) an amount equal to the Fiera Debt plus any interest at 7% per annum accrued on the Fiera Debt commencing July 15, 2023 until the Closing Date (the "**Fiera Base Debt Amount**") less the amount of the Remaining Refundable Deposit, and less any amount by which the BMO Costs to be paid pursuant to Section 3.1(2)(d) exceed \$25,000, which balance shall be paid to the Proposal Trustee by wire transfer of immediately available funds on Closing; and
  - (d) an amount up to \$2,000,000 plus any unpaid interest accrued to the Closing Date and all BMO's fees and costs for which the Vendor or the Opcos are liable in connection with the July 14, 2022 BMO credit agreement (collectively, the "**BMO Costs**"), all in accordance with a payout statement to be obtained by Vendor from BMO in full repayment of the credit facility of the Vendor and the Opcos owed to BMO which shall be paid by the Purchaser to BMO on Closing, by irrevocable direction to be delivered by Vendor to Purchaser, by wire transfer of immediately available funds in accordance with the payout statement to be obtained from BMO.
- (3) The non-cash amount to be applied towards satisfaction of the Purchase Price (the "**Non-Cash Purchase Price**") shall consist of the assignment to and assumption by the Purchaser of the Ibbotson Note on the Closing Date.
- (4) The DIP Amount will be paid on Closing by the Purchaser's release of the indebtedness owing under the Deposit Facility.

#### Section 3.2 Purchase Price Allocation

The Vendor and the Purchaser agree to allocate the Purchase Price to the Purchased Assets in accordance with the provisions of Schedule 3.3. The Parties agree to execute and file

all of their own Tax Returns and prepare all of their own financial statements and other instruments on the basis of this allocation.

### **Section 3.3 Funding of the NOI Proceedings**

The Purchaser shall contribute towards the funding the costs of the NOI Proceedings and the Vendor's ongoing working capital requirements during the NOI Proceedings by allowing a maximum of \$2,500,000 of the Refundable Deposit to be used by the Vendor as the Deposit Facility in accordance with the following:

- (a) the Deposit Facility will become available to the Vendor upon issuance of the Sale Process Order, in form and substance satisfactory to the Purchaser, acting reasonably;
- (b) all obligations of the Vendor under the Deposit Facility shall be secured by the DIP Charge;
- (c) upon receipt of the DIP Charge, a portion of the Deposit Facility equal to the Initial Fiera FP Tranche will be used as repayment of the Initial Fiera FP Tranche. The remainder of the Deposit Facility will be available to the Vendor in weekly draws (each, an "Advance") in accordance with the Cash Flow Projections;
- (d) the Deposit Facility may not be used by the Vendor for Restructuring Costs;
- (e) the Vendor will prepare a weekly variance report, to be reviewed by the Proposal Trustee, and provide same to the Purchaser;
- (f) the Cash Flow Projections will not be amended without the prior written approval of the Purchaser in its capacity as DIP lender, acting reasonably;
- (g) Advances shall bear interest at the rate of twelve percent (12%) per annum, calculated on the daily outstanding balance owing under the Deposit Facility, not in advance, which interest will be waived upon Closing where Purchaser is a Successful Bidder and otherwise only payable in accordance with Section 10.3;
- (h) repayment of the Deposit Facility shall be governed by Section 3.1 or Section 10.3, as applicable; and
- (i) the Vendor shall pay all fees and expenses incurred by the Purchaser in the enforcement of its rights and remedies with regard to the Deposit Facility or the DIP Charge, at law or in equity.



## **ARTICLE 4 TAX MATTERS**

### **Section 4.1 Transfer Taxes.**

The Purchaser shall be liable for and shall pay all land transfer Taxes, sales Taxes and all other similar Taxes properly payable upon and in connection with the sale, assignment and transfer of the Purchased Assets from the Vendor to the Purchaser, other than any taxes payable on the Vendor's net income, profits or gains.

### **Section 4.2 Tax Elections.**

- (1) If available, at the Closing, the Vendor and the Purchaser shall execute jointly an election under section 167 of the *Excise ITA* (Canada) (the "ETA") and under the equivalent or corresponding provisions of any other applicable provincial or territorial statute, to have the sale of the Purchased Assets take place on a GST/HST-free basis under Part IX of the ETA. The Purchaser shall file the elections in the manner and within the time prescribed by the relevant legislation.
- (2) At the Closing, the Purchaser and the Vendor shall jointly execute and file an election under subsection 20(24) of the *Income ITA* (Canada) (the "ITA") in the manner required by subsection 20(25) of the ITA and under the equivalent or corresponding provisions of any other applicable provincial or territorial statute, in the prescribed forms and within the time period permitted under the ITA and under any other applicable provincial or territorial statute, as to such amount paid by the Vendor to the Purchaser for assuming future obligations. In this regard, the Purchaser and the Vendor acknowledge that a portion of the Purchased Assets transferred by the Vendor pursuant to this Agreement, and having a value equal to the amount elected under subsection 20(24) of the ITA and the equivalent provisions of any applicable provincial or territorial statute in the relevant election, is being transferred by the Vendor as a payment for the assumption of such future obligations by the Purchaser.
- (3) The Purchaser and Vendor shall execute jointly an election in the prescribed form under Section 22 of the *Income Tax Act* (Canada) in respect of the Accounts Receivable and shall designate in such election an amount equal to the portion of the Purchase Price allocated to such assets pursuant to Section 3.2 as the consideration paid by the Purchase therefor. The Purchaser and the Vendor shall each file such election with their respective tax returns for their respective taxation years that include the Closing Date. Nothing herein shall require the Purchaser or the Vendor to file any income tax returns that it is not otherwise required to file.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

### **Section 5.1 Representations and Warranties of the Vendor.**

The Vendor represents and warrants as follows to the Purchaser as of the date hereof and acknowledges and confirms that the Purchaser is relying upon the following representations and warranties in completing its purchase of the Purchased Assets.

- (1) **Corporate Power.**
  - (a) The Vendor is duly organized and validly existing under the laws of its jurisdiction of organization; and
  - (b) The Vendor has the power, authority and capacity to enter into and perform its obligations under this Agreement and to own the Purchased Assets and to carry on the Business as currently conducted.
- (2) **Residence of the Vendor.** The Vendor is not a non-resident of Canada for the purposes of the ITA.
- (3) **Absence of Conflicts.** Subject to the issuance of the Approval and Vesting Order, the execution and delivery of and performance by the Vendor of this Agreement and each of the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated by them have been duly authorized by all necessary and corporate action on the part of each of them.
- (4) **Due Authorization and Enforceability.** Subject to the issuance of the Approval and Vesting Order, the execution and delivery of this Agreement and the sale of the Purchased Assets have been duly authorized by all necessary corporate and partnership action of the Vendor. Subject to receipt of the Approval and Vesting Order, this Agreement has been duly and validly executed by the Vendor and constitutes a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity, regardless of whether asserted in a proceeding in equity or law.
- (5) **HST Registrant.** The Vendor is registered for the purposes of the tax imposed under Part IX of the ETA and its registration number is 10127 6822 RT0001.
- (6) **No Brokers.** No agent, broker, person or firm acting on behalf of the Vendor is, or will be, entitled to any commission or brokers' or finders' fees from the Vendor or from any affiliate of the Vendor, in connection with any of the transactions contemplated hereby.

## **Section 5.2 Representations and Warranties of the Purchaser.**

The Purchaser represents and warrants as follows to the Vendor and acknowledges and agrees that the Vendor is relying on such representations and warranties in connection with its sale of the Purchased Assets:

- (1) **Corporate Power.**
  - (a) The Purchaser is duly organized and validly existing under the laws of its jurisdiction of organization; and

- (b) The Purchaser has the power, authority and capacity to enter into and perform its obligations under this Agreement and to own and lease real property and carry on business.
- (2) **Residence of the Purchaser.** The Purchaser is not a non-resident of Canada for purposes of the ITA.
- (3) **Absence of Conflicts.** The Purchaser is not a party to, bound or affected by or subject to any charter or by-law provision or Applicable Laws or Authorizations that would be violated, breached, or under which any default would occur or with notice or the passage of time would be created, as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms of this Agreement.
- (4) **Due Authorization and Enforceability of Obligations.** The execution and delivery of this Agreement and the purchase of the Purchased Assets and assumption of the Assumed Liabilities, have been duly authorized by all necessary corporate action of the Purchaser, if applicable or required. This Agreement has been duly and validly executed by the Purchaser, and constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity, regardless of whether asserted in a proceeding in equity or law.
- (5) **HST Registrant.** The Purchaser is a registrant for the purposes of the tax imposed under Part IX of the ETA and its registration number is 77292 0500 RT0001.
- (6) **Financing and Solvency.** The Purchaser has available in immediately-available funds on hand, from its working capital and/or currently available unrestricted credit facilities or committed capital contributions, all the cash that the Purchaser shall need at the Closing to consummate the purchase of the Purchased Assets.
- (7) **No Brokers.** No agent, broker, person or firm acting on behalf of the Purchaser is, or will be, entitled to any commission or brokers' or finders' fees from the Purchaser or from any affiliate of the Purchaser, in connection with any of the transactions contemplated hereby.

**Section 5.3 No Other Representation or Warranty.** The representations and warranties given by the Vendor in Section 5.1 are the only representations and warranties of the Vendor in connection with this Agreement and the transactions contemplated by it. Except for the representations and warranties given by the Vendor in Section 5.1, the Purchaser is purchasing the Purchased Assets on an "as is" basis and does not rely upon any statements, representations, promises, warranties, conditions or guarantees whatsoever, whether express or implied (by operation of law or otherwise), oral or written, legal, equitable, conventional, collateral or otherwise, regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description,

fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets.

**Section 5.4 As is, Where is.**

THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH HEREIN, THE PURCHASED ASSETS AND THE BUSINESS ARE PURCHASED AND THE ASSUMED LIABILITIES ARE ASSUMED BY THE PURCHASER "AS IS, WHERE IS" AS THEY SHALL EXIST AT THE CLOSING DATE WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN FACT OR BY LAW WITH RESPECT TO THE PURCHASED ASSETS, THE BUSINESS, AND THE ASSUMED LIABILITIES, AND WITHOUT ANY RECOURSE TO THE VENDOR, THE PROPOSAL TRUSTEE OR ANY OF THEIR DIRECTORS, OFFICERS, SHAREHOLDERS, REPRESENTATIVES OR ADVISORS, OTHER THAN FOR KNOWING AND INTENTIONAL FRAUD. THE PURCHASER AGREES TO ACCEPT THE PURCHASED ASSETS, THE BUSINESS AND THE ASSUMED LIABILITIES IN THE CONDITION, STATE AND LOCATION THEY ARE IN ON THE CLOSING DATE BASED ON THE PURCHASER'S OWN INSPECTION, EXAMINATION AND DETERMINATION WITH RESPECT TO ALL MATTERS AND WITHOUT RELIANCE UPON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY NATURE MADE BY OR ON BEHALF OF OR IMPUTED TO THE VENDOR OR THE PROPOSAL TRUSTEE, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. Unless specifically stated in this Agreement, the Purchaser acknowledges and agrees that no representation, warranty, term or condition, understanding or collateral agreement, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, is being given by the Vendor or Proposal Trustee in this Agreement or in any instrument furnished in connection with this Agreement, as to description, fitness for purpose, sufficiency to carry on any business, merchantability, quantity, condition, ownership, quality, value, suitability, durability, environmental condition, assignability or marketability thereof, or in respect of any other matter or thing whatsoever, and all of the same are expressly excluded.

**ARTICLE 6  
PRE-CLOSING COVENANTS OF THE PARTIES**

**Section 6.1 Actions to Satisfy Closing Conditions.**

- (1) The Vendor shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 8.1.
- (2) During the Interim Period, the Vendor shall (unless otherwise consented to by the Purchaser in writing, such consent not to be unreasonably withheld, delayed or conditioned):
  - (a) operate the Business until Closing in accordance with the Cash Flow Projections, including not incurring any unbudgeted capital expenditures;

- (b) not transfer, lease, license, sell, create any Lien on, or otherwise dispose of any of the Purchased Assets and the assets of the Opcos other than as expressly contemplated by this Agreement;
  - (c) not amend, terminate or assign any Authorization or Contract that is included in the Purchased Assets, except in the ordinary course of its business;
  - (d) not waive, release, permit the lapse of, relinquish or assign any material rights under any Authorization or Contract, except in the ordinary course of its business;
  - (e) not enter into any Contract or other commitment related to the Business except, in each case, in the ordinary course of the Business;
  - (f) conduct the Business in all material respects in the ordinary course of business and consistent with business practices since November 2022 including ensuring that the suppliers of the Vendor and the Opcos are paid within 90 days from the date of an invoice), and to the extent consistent therewith, use commercially reasonable efforts to preserve intact the value of the Business, its material commercial relationships and goodwill with Persons with whom the Vendor and the Opcos have business relations;
  - (g) allow the Purchaser the opportunity to offer to engage Don Latchford as an employee of the Purchaser commencing on a Closing provided that there is no condition that Don Latchford has accepted such employment; and
  - (h) promptly notify the Purchaser of any claim made in writing against the Purchaser, Vendor or the Opcos.
- (3) The Purchaser shall use its commercially reasonable efforts to take or cause to be taken all such actions so as to ensure compliance with all of the conditions set forth in Section 8.2.

### **Section 6.2 Transfer of the Purchased Assets.**

The Vendor shall take all necessary steps and proceedings to permit good title to the Purchased Assets to be duly and validly transferred and assigned to the Purchaser at the Closing pursuant to the Approval and Vesting Order and this Agreement, free from all liens other than Permitted Liens.

### **Section 6.3 Privacy Legislation**

- (1) The Purchaser covenants and agrees to use and disclose Transferred Information only for those purposes for which the Transferred Information was initially collected from or in respect of the individual to which that Transferred Information relates, unless:

- (a) the Purchaser has first notified that individual of that additional purpose, and where required by applicable law, obtained the consent of that individual to that additional purpose; or
  - (b) that use or disclosure is permitted or authorized by applicable law, without notice to, or consent from, such individual.
- (2) The Parties acknowledge and confirm that the disclosure of Transferred Information is necessary for the purposes of determining whether to proceed with the transaction contemplated by this agreement and that the disclosure of Transferred Information relates solely to the carrying on of the business and the completion of the transaction contemplated by this Agreement.
- (3) The Purchaser covenants and agrees to: (i) where required by applicable law, promptly notify the individuals to whom the Transferred Information relates that Closing has taken place and that the Transferred Information has been disclosed to it; (ii) return or destroy the Transferred Information, at the option of the Vendor, should Closing not occur; (iii) keep strictly confidential all Transferred Information provided to it, and shall instruct those employees or advisors responsible for processing such Transferred Information to protect the confidentiality of such information in a manner consistent with the its obligations hereunder and according to applicable laws; and (iv) ensure that access to Transferred Information shall be restricted to those employees or advisors of the Purchaser who have a bona fide need to access such information in order to complete the transaction contemplated by this Agreement.

#### **Section 6.4 Filings and Authorizations.**

The Purchaser and the Vendor, as promptly as practicable after the execution of this Agreement, shall (i) make, or cause to be made, all filings and submissions under all Laws applicable to it, that are required for it to consummate the purchase and sale of the Purchased Assets in accordance with the terms of this Agreement, (ii) use its reasonable best efforts to obtain, or cause to be obtained, all Authorizations necessary or advisable to be obtained by it in order to consummate such transfer, and (iii) use its reasonable best efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfil its obligations under this Agreement.

#### **Section 6.5 Court Approval.**

- (1) The Vendor shall seek the approval of the Court to the transactions contemplated by this Agreement in accordance with the following:
- (a) Promptly upon the execution of this Agreement, the Vendor will initiate the NOI Proceedings to assist in facilitating the implementation of this Agreement.
  - (b) Promptly upon execution of this Agreement, the Vendor shall seek the Sale Process Order within the NOI Proceedings.

- (c) As soon as practicable if the Purchaser is selected as, or deemed to be, the Successful Bidder, the Proposal Trustee shall file motion materials seeking the issuance of the Approval and Vesting Order.
- (d) The Vendor and the Purchaser shall cooperate with filing and prosecuting the motion for issuance and entry of the Approval and Vesting Order , and the Vendor shall deliver to the Purchaser prior to filing, and as early in advance as is practicable to permit adequate and reasonable time, for the Purchaser and its counsel to review and comment, copies of all of the Vendor's proposed pleadings, motions and other material papers to be filed by the Vendor in connection with such motions and proposed orders and relief requested therein and any challenges thereto.
- (e) The Vendor, in consultation with the Purchaser, shall determine all Persons required to receive notice of the motions for the Approval and Vesting Order under applicable Laws and the requirements of the BIA, the Court and any other Person determined necessary by the Vendor or the Purchaser.

## **ARTICLE 7 BIDDING PROCEDURES**

### **Section 7.1 Bidding Procedures.**

The Parties each covenant and agree to abide by, and comply with, the Bidding Procedures.

### **Section 7.2 Break Fee**

- (1) In consideration for the Purchaser's expenditure of time and money in acting as the initial bidder in the Stalking Horse Bid and the preparation of this Agreement, and in performing due diligence with respect to the Vendor and the Purchased Assets, if this Agreement is terminated pursuant to Section 10.1(1)(a) and Section 10.1(2)(b) and the Purchaser is not in material breach of any of its obligations or covenants under this Agreement, then the Vendor shall pay, or cause to be paid, to the Purchaser, the Break Fee upon termination of this Agreement.
- (2) The Vendor acknowledges that it would be extremely difficult and impracticable to precisely determine the amount of actual damages that would be suffered by the Purchaser as a result of it placing the Stalking Horse Bid and not being selected as, or deemed to be, the Successful Bidder, and that the Break Fee is a fair and reasonable approximation of the amount of actual damages that would be suffered by the Purchaser in such circumstances. The Break Fee is not intended to be punitive or to discourage competitive bidding for the Purchased Assets pursuant to the Bidding Procedures.
- (3) The Purchaser agrees that the return to the Purchaser of the Refundable Deposit (in accordance with Section 10.3(1)) and the payment to the Purchaser of the Break Fee will be the sole and exclusive remedies of the Purchaser against the Vendor in the

event that a superior transaction for the purchase and sale of the Purchased Assets between the Vendor and a Person other than the Purchaser is consummated.

## ARTICLE 8 CONDITIONS OF CLOSING

### Section 8.1 Conditions for the Benefit of the Purchaser.

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion:

- (a) **Successful Bid.** The Purchaser shall have been selected as, or deemed to be, the Successful Bidder, following the completion of the Bidding Procedures.
- (b) **Truth of Representations and Warranties.** The representations and warranties of the Vendor contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Vendor shall have executed and delivered a certificate of a senior officer to that effect. Upon the delivery of such certificate, the representations and warranties of the Vendor in Section 5.1 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.
- (c) **Performance of Covenants.** The Vendor shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to the Closing, and the Vendor shall have executed and delivered a certificate of an authorized representative to that effect.
- (d) **Authorizations.** All Authorizations listed in Schedule 1(d) will have been obtained on terms acceptable to the Purchaser, acting reasonably, and such Authorizations will be in force and will not have been modified or rescinded.
- (e) **Liens.** No new Lien shall have been registered against the assets of any of the Opcos after the date of this Agreement.
- (f) **No Legal Action.** No action or proceeding will be pending or threatened by any Person (other than the Purchaser), and there is no order or notice from any Governmental Entity, to (or seeking to) enjoin, restrict or prohibit, on a temporary or permanent basis any of the transactions contemplated by this Agreement or imposing any terms or conditions on the transactions contemplated by this Agreement, the Business or the business of the Purchaser or otherwise limiting the right of the Purchaser to conduct the Business after Closing on substantially the same basis as heretofore operated.



## **Section 8.2 Conditions for the Benefit of the Vendor.**

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the exclusive benefit of the Vendor and may be waived, in whole or in part, by the Vendor in its sole discretion.

- (a) **Truth of Representations and Warranties.** The representations and warranties of the Purchaser contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect. Upon delivery of such certificate, the representations and warranties of the Purchaser in Section 5.2 will be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date.
- (b) **Performance of Covenants.** The Purchaser shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it at or prior to Closing in all material respects and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect.
- (c) **Proceedings.** All proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreements are reasonably satisfactory in form and substance to the Vendor, acting reasonably, and the Vendor shall have received copies of all the instruments and other evidence as it may reasonably request in order to establish the consummation of such transactions and the taking of all proceedings in connection therewith.
- (d) **No Legal Action.** No action or proceeding will be pending or threatened by any Person (other than the Proposal Trustee, the Vendor or the Purchaser) and there is no order or notice from any Governmental Entity, to (or seeks to) enjoin, restrict or prohibit, on a temporary or permanent basis any of the transactions contemplated by this Agreement or imposing any terms or conditions on the transactions contemplated by this Agreement.

## **Section 8.3 Conditions for the Benefit of the Purchaser and the Vendor.**

The purchase and sale of the Purchased Assets is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the benefit of the Vendor and the Purchaser and may be jointly waived, in whole or in part, by the Vendor and the Purchaser.

- (a) **Approval and Vesting Order.** The Approval and Vesting Order shall have been obtained at least five (5) calendar days prior to the Outside Date and shall not have been appealed, set aside, varied or stayed or, if appealed or stayed, all appeals shall have been dismissed and all stays shall have been lifted, respectively, and no provision of any Applicable Law and no judgment,

injunction, order or decree that prohibits the consummation of the Transaction shall be in effect.

- (b) **Trustee Certificate.** The Proposal Trustee for the Vendor pursuant to the BIA shall have delivered its certificate confirming the satisfaction of all conditions under this Agreement, payment of the Purchase Price and the vesting of the Purchased Assets pursuant to the Approval and Vesting Order.

## **ARTICLE 9 CLOSING**

### **Section 9.1 Date, Time and Place of Closing.**

- (1) The Closing will take place remotely at 10:00 a.m. (Eastern Time) on a day mutually agreed upon by the Parties which is no sooner than two Business Days after the date on which the Approval and Vesting Order has been issued by the Court and not later than the Outside Date (the "**Closing Date**"), in which the closing documentation will be delivered by electronic mail exchange of signature pages in PDF or functionally equivalent electronic format, which delivery will be effective without any further physical exchange of the originals or copies of the originals. All proceedings to be taken and all documents to be executed and delivered by all Parties at the Closing shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents executed or delivered until all have been taken, executed and delivered.

### **Section 9.2 Closing Deliverables.**

- (1) **Vendor Deliverables at Closing.** The Vendor shall have delivered or caused to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser acting reasonably:
  - (a) certified copies of (i) the charter documents and bylaws of the Vendor and (ii) all resolutions of the board of directors of the Vendor approving the entering into and completion of the transaction contemplated by this Agreement and the Ancillary Agreements;
  - (b) a certificate of status, compliance, good standing or like certificate with respect to the Vendor issued by appropriate government officials of its jurisdiction of incorporation;
  - (c) a payout statement prepared by BMO;
  - (d) a direction to the Purchaser to pay BMO in accordance with its payout statement and Section 3.1(2)(d);
  - (e) a release by Fiera and BMO of all indebtedness and security interests against Datatax and Opcos;

- (f) a release in favour of Steven Ibbotson in a form attached hereto as Schedule 9.2(1)(f);
  - (g) resignations of Brent Houlden and Naveed Manzoor as officers and directors of the Opcos;
  - (h) the certificates referred to in Section 8.1(b) and Section 8.1(c);
  - (i) the Assignment and Assumption Agreements for the Assumed Contracts duly executed by the Vendor;
  - (j) the Books and Records, including all Tax Returns pertaining to corporate income Taxes of the Vendor that are available to the Vendor using commercially reasonable efforts;
  - (k) all documents of title and instruments of conveyance (duly executed by the Vendor) necessary to transfer and/or record beneficial ownership to the Purchaser of all automobiles, trucks and trailers and other equipment owned by the Vendor (and any other Purchased Assets owned by the Vendor which require execution, endorsement and/or delivery of a document in order to vest legal or beneficial ownership thereof in the Purchaser) which are included in the Purchased Assets;
  - (l) such other necessary deeds, conveyances, assurances, transfers and assignments, including any confirmation of assignment of Intellectual Property for filing purposes with the Canadian Intellectual Property Office, and any other instruments necessary or reasonably required to transfer the Purchased Assets to the Purchaser in accordance with this Agreement and the Approval and Vesting Order; and
  - (m) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.
- (2) **Purchaser Deliverables at Closing.** The Purchaser shall deliver or cause to be delivered to the Vendor the following in form and substance satisfactory to the Vendor, acting reasonably:
- (a) certified copies of (i) the charter documents and extracts from the by-laws of the Purchaser relating to the execution of documents, (ii) all resolutions of the shareholders and the board of directors of the Purchaser approving the entering into and completion of the transactions contemplated by this Agreement and the Ancillary Agreements, and (iii) a list of its officers and directors authorized to sign agreements together with the specimen signatures for such directors and officers signing this Agreement or any Ancillary Agreement;

- (b) a release from Steven Ibbotson and the Purchaser in a form attached hereto as Schedule 9.2(2)(b);
- (c) the payment of all Transfer Taxes (if any) required to be paid on Closing, to the Proposal Trustee;
- (d) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by appropriate government official of the jurisdiction of its incorporation;
- (e) the certificates referred to in Section 8.2(a) and Section 8.2(b); and
- (f) the payment or satisfaction of the Purchase Price in accordance with the terms set forth in Article 3.

### **Section 9.3 Name Change**

Immediately following the Closing Date, the Vendor will change its name to one that does not use, alone or in combination with any other words, the words "Datatax", "Wheatland", "Farm Business Consultants", "FBC Financial and Estate Planning Services", "Harvest" and "FBC".

## **ARTICLE 10 TERMINATION**

### **Section 10.1 Termination Rights.**

- (1) This Agreement will be terminated automatically, without any action by either Party:
  - (a) upon the completion of the transactions contemplated by the Successful Bid pursuant to the Bidding; or
  - (b) if the Approval and Vesting Order shall not have been granted by the Outside Date, or such later date as may be agreed to between the Parties.
- (2) This Agreement may, by Notice in writing given on or prior to the Closing Date, be terminated:
  - (a) by mutual consent of the Vendor and the Purchaser in the form of a written agreement;
  - (b) by the Purchaser, if:
    - (i) the Approval and Vesting Order shall fail, once granted, to be in full force and effect or shall have been amended, modified, reversed or dismissed without the prior written consent of the Purchaser;
    - (ii) there has been a material breach of this Agreement by the Vendor and where such breach is capable of being cured, such breach has not been

waived by the Purchaser in writing or cured within 15 days following written Notice of such breach by the Purchaser; or

- (iii) any of the conditions in Section 8.1 have not, in the case of Section 8.1(c) been satisfied in all respects, and otherwise in all material respects and it becomes reasonably apparent that any of such conditions will never be satisfied in all respects or material respects as applicable (other than as result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing;
- (c) by the Vendor, if:
  - (i) there has been a material breach of this Agreement by Purchaser and where such breach is capable of being cured, such breach has not been waived by the Vendor in writing or cured within 15 days following written Notice of such breach by the Vendor; or
  - (ii) any of the conditions in Section 8.2 have not been satisfied in all material respects and it becomes reasonably apparent that any of such conditions will never be satisfied in all material respects (other than as result of the failure of any of the Vendor to perform any of its material obligations) and the Vendor has not waived such condition at or prior to Closing.

### **Section 10.2 Effect of Termination.**

The rights of termination under this Article 10 are in addition to any other rights the respective Party may have under this Agreement or otherwise, and the exercise of a right of termination by a Party will not constitute an election of remedies. If this Agreement is terminated pursuant to Section 10.1, this Agreement will be of no further force or effect; provided, however, that (i) Section 7.2 (*Break Fee*), Section 10.2 (*Effect of Termination*), Section 10.3 (*Deposit*), and Article 11 (*Miscellaneous*) and any provisions of this Agreement that by their nature should survive, will survive the termination of this Agreement, and (ii) the termination of this Agreement will not relieve any Party from any liability for any breach of this Agreement occurring prior to termination.

### **Section 10.3 Deposit**

Without limiting the generality of Section 10.2:

- (1) In the event this Agreement is terminated pursuant to Section 10.1(1)(a) where the Purchaser is not the Successful Bidder, the Remaining Refundable Deposit shall be returned to the Purchaser and all amounts owing under the Deposit Facility (including and together with any accrued interest) shall be repaid without set-off, and the return of the Remaining Refundable Deposit and repayment of the Deposit Facility shall, subject to Section 10.4, be the Purchaser's sole and exclusive remedy for such termination of this Agreement.

- (2) In the event this Agreement is terminated pursuant to Section 10.1(1)(b), Section 10.1(2)(b) or Section 10.1(2)(c)(ii) the Remaining Refundable Deposit shall be returned to the Purchaser and the Purchaser shall be entitled to repayment, without set-off, of all Advances made under the Deposit Facility plus interest. The return of the Remaining Refundable Deposit and the Purchaser's rights of collection and enforcement of the Deposit Facility (including by enforcement of the DIP Charge) shall be the Purchaser's sole and exclusive remedies for such termination of this Agreement.
- (3) In the event this Agreement is terminated by the Vendor pursuant to Section 10.1(2)(c)(i), the Remaining Refundable Deposit and all rights to repayment of the Deposit Facility shall be forfeited by the Purchaser and the Vendor's right of termination under Section 10.1(2)(c)(i) shall be the Vendor's sole and exclusive remedy for such termination of this Agreement.
- (4) In the event this Agreement is terminated pursuant to Section 10.1(2)(a) on mutual consent of the Vendor and the Purchaser in the form of a written agreement, the return of the Deposit will be subject to the terms of that written agreement.

#### **Section 10.4 Break Fee**

If this Agreement is terminated pursuant to Section 10.1(1)(a), then, in addition to return of the Remaining Refundable Deposit and all amounts owing under the Deposit Facility (including and together with any accrued interest on the Deposit Facility), the Vendor shall pay to the Purchaser the Break Fee upon closing of the transactions contemplated by the Successful Bid by wire transfer of immediately available funds to an account designated by the Purchaser.

### **ARTICLE 11 MISCELLANEOUS**

#### **Section 11.1 Notices.**

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a "Notice") must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

- (a) to the Purchaser at:

2872802 Ontario Inc.  
Unit 1 - 275 Dundas Street  
London, Ontario  
N6B 3L1

Attention: Steven J. Ibbotson  
Email: sibbotson111@gmail.com

(b) to the Vendor at:

Attention: Jason Wadden  
Email: jwadden@tyrllp.com

(c) to the Proposal Trustee at:

Attn.: Pritesh Patel  
Email: pritpatel@kpmg.ca

A Notice is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, or (ii) if sent by facsimile or email, on the Business Day following the date of confirmation of transmission by the originating facsimile or email. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party.

#### **Section 11.2 Time of the Essence.**

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

#### **Section 11.3 Announcements.**

The Vendor and the Proposal Trustee shall be entitled to disclose this Agreement and all information provided by the Purchaser in connection herewith to the Court and parties in interest in the NOI proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein), the Vendor and the Purchaser shall not issue (prior to the Closing) any press release or make any public statement or public communication with respect to this Agreement or the transactions contemplated hereby without the prior written consent of the other Party, which shall not be unreasonably withheld or delayed, provided, however, that a Party may, without the prior consent of the other Party, issue such press release or make such public statement as may, upon the advice of counsel, be required by applicable Law or by any Governmental Authority with competent jurisdiction including any applicable securities Laws. Notwithstanding any other provision of this Agreement, the Purchaser shall not disclose the Purchase Price to any Person prior to the Closing without the prior written consent of the Vendor, except as required by applicable Laws.

#### **Section 11.4 Third Party Beneficiaries.**

Except as otherwise provided in this Agreement, (i) the Vendor and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and (ii) no Person, other than the Parties, is entitled to rely

on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person.

#### **Section 11.5 No Liability; Proposal Trustee Holding Deposit**

The Purchaser and the Vendor acknowledge and agree that the Proposal Trustee, acting in its capacity as the Proposal Trustee of the Vendor in connection with the NOI Proceedings and the consummation of the transactions contemplated by this Agreement, and the Proposal Trustee's affiliates and their respective former and current directors, officers, employees, agents, advisors, lawyers and successors and assigns will have no liability under or in connection with this Agreement whatsoever (including, without limitation, in connection with the receipt, holding or distribution of the cash portion of the Purchase Price, including the Refundable Deposit, the Non-Refundable Deposit, or any portion thereof. If, at any time, there shall exist, in the sole and absolute discretion of the Proposal Trustee, any dispute between the Vendor and the Purchaser, with respect to the holding or disposition of the cash portion of the Purchase Price, including the Refundable Deposit or any portion thereof or with respect to the Proposal Trustee's actions with respect to its obligations hereunder, then the Proposal Trustee may (i) make a motion to the Court for direction with respect to such dispute or uncertainty and, to the extent required by Law or otherwise at the sole and absolute discretion of the Proposal Trustee, pay the cash portion of the Purchase Price, including the Refundable Deposit or any portion thereof into the Court for holding and disposition in accordance with the instructions of the Court, or (ii) hold the cash portion of the Purchase Price, including the Refundable Deposit or any portion thereof and not make any disbursement thereof until: (a) the Proposal Trustee receives a written direction signed by all the Vendor and the Purchaser directing the Proposal Trustee to disburse the cash portion of the Purchase Price, including the Refundable Deposit or any portion thereof in the manner provided for in such direction, or (b) the Proposal Trustee receives an Order from the Court, which is not stayed or subject to appeal and for which the applicable appeal period has expired, instructing it to disburse the cash portion of the Purchase Price, including the Refundable Deposit or any portion thereof in the manner provided for in the Court Order.

#### **Section 11.6 Expenses.**

Except as otherwise expressly provided in this Agreement (including, without limitation, in Section 3.1(2)(a) and Section 3.3(i)), each Party will pay for its own costs and expenses (including the fees and expenses of legal counsel, accountants and other advisors) incurred in connection with the NOI Proceedings, this Agreement or any Ancillary Agreements and the transactions contemplated by them.

#### **Section 11.7 Amendments.**

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser.



**Section 11.8 Waiver.**

No waiver of any of the provisions of this Agreement or any Ancillary Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's acceptance of any certificate delivered on Closing or failure or delay in exercising any right under this Agreement will not operate as a waiver of that. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

**Section 11.9 Entire Agreement.**

This Agreement together with the Ancillary Agreements, (i) constitutes the entire agreement between the Parties; (ii) supersedes all prior agreements or discussions of the Parties; and (iii) sets forth the complete and exclusive agreement between the Parties, in all cases, with respect to the subject matter herein.

**Section 11.10 Successors and Assigns.**

- (1) This Agreement becomes effective only when executed by the Vendor and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Vendor and the Purchaser and their respective successors and permitted assigns.
- (2) Except as provided in this Section 11.10, neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any party without the prior written consent of the other parties, provided that the Purchaser may direct that another entity or entities, provided each such entity is a wholly owned subsidiary of the Purchaser, purchase the shares of any of the Opcos.

**Section 11.11 Severability.**

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

**Section 11.12 Governing Law.**

- (1) This Agreement is governed by and will be interpreted and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (2) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto (and appellate courts therefrom) and waives objection to the venue of any proceeding in such court or that such court provides an inappropriate forum.

**Section 11.13 Counterparts.**

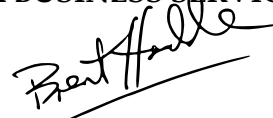
This Agreement may be executed (including by electronic means) in any number of counterparts, each of which (including any electronic transmission of an executed signature page), is deemed to be an original, and such counterparts together constitute one and the same instrument.

*[Remainder of page intentionally left blank. Signature pages follow.]*

IN WITNESS WHEREOF the Parties have executed this Asset Purchase Agreement.

**DATATAX BUSINESS SERVICES  
LIMITED**

By: \_\_\_\_\_



Authorized Signing Officer

**2872802 ONTARIO INC.**

By: \_\_\_\_\_

Authorized Signing Officer

The undersigned signing only to confirm his obligations in respect of delivery of Releases.

By: \_\_\_\_\_

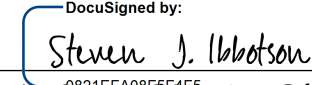
Steven Ibbotson

IN WITNESS WHEREOF the Parties have executed this Asset Purchase Agreement.

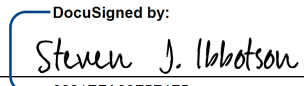
**DATATAX BUSINESS SERVICES  
LIMITED**

By: \_\_\_\_\_  
Authorized Signing Officer

**2872802 ONTARIO INC.**

By:  \_\_\_\_\_  
Authorized Signing Officer

The undersigned signing only to confirm his obligations in respect of delivery of Releases.

By:  \_\_\_\_\_  
Steven Ibbotson

**Schedule 1.1 A**  
**Cash Flow Projections**

See attached.

**Datatax Cumulative Cash Flow Forecast**  
**Datatax, FBC, FEPS, Wheatland. Excludes Restructure Fees**  
**(\$C - Non Audited)**

**Section 1 - Bank Balance**

	FRI	FRI	FRI	FRI	FRI	FRI	FRI	FRI	FRI	FRI	FRI
	04-Aug-23	11-Aug-23	18-Aug-23	25-Aug-23	01-Sep-23	08-Sep-23	15-Sep-23	22-Sep-23	29-Sep-23	06-Oct-23	13-Oct-23
<b>Bank - Start of Week</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>
Outstanding Cheques	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Available Cash after Outstanding cheques</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>	<b>-\$1,894,428</b>
<b>Total Deposits from Business Activities</b>	<b>\$472,102</b>	<b>\$904,573</b>	<b>\$1,434,286</b>	<b>\$2,123,977</b>	<b>\$2,617,621</b>	<b>\$3,120,751</b>	<b>\$3,442,002</b>	<b>\$3,729,757</b>	<b>\$4,051,642</b>	<b>\$4,435,790</b>	<b>\$4,907,133</b>
<b>Deposits from Financing Activities</b>											
Fiera Interim Financing Creditor Facility	\$618,500	\$618,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchaser DIP	\$0	\$0	\$750,000	\$1,000,000	\$1,000,000	\$1,500,000	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
<b>Total Deposits from Financing Activities</b>	<b>\$618,500</b>	<b>\$618,500</b>	<b>\$750,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,500,000</b>	<b>\$1,500,000</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>
<b>Total Deposits</b>	<b>\$1,090,602</b>	<b>\$1,523,073</b>	<b>\$2,184,286</b>	<b>\$3,123,977</b>	<b>\$3,617,621</b>	<b>\$4,620,751</b>	<b>\$4,942,002</b>	<b>\$5,729,757</b>	<b>\$6,051,642</b>	<b>\$6,435,790</b>	<b>\$6,907,133</b>
<b>Available Cash Before Payroll, Remittances and Payables</b>	<b>-\$803,826</b>	<b>-\$371,354</b>	<b>\$289,858</b>	<b>\$1,229,549</b>	<b>\$1,723,194</b>	<b>\$2,726,323</b>	<b>\$3,047,574</b>	<b>\$3,835,329</b>	<b>\$4,157,214</b>	<b>\$4,541,362</b>	<b>\$5,012,705</b>
<b>Payments</b>											
Sales Tax Remittance	\$212,140	\$212,140	\$216,851	\$216,851	\$392,913	\$392,913	\$392,913	\$399,522	\$644,145	\$644,145	\$644,145
Loan Payments	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll (Net of Source Deductions)	\$336,873	\$595,363	\$879,565	\$1,122,961	\$1,770,506	\$2,263,217	\$2,557,324	\$2,772,945	\$3,045,294	\$3,354,141	\$3,583,146
Benefits	\$535	\$100,535	\$101,070	\$103,570	\$104,105	\$106,605	\$204,640	\$207,140	\$207,675	\$210,175	\$324,797
Travel and Education (Employee Expenses)	\$11,328	\$23,156	\$34,484	\$46,312	\$57,640	\$66,140	\$74,140	\$84,640	\$92,640	\$111,640	\$161,640
RRSP Remittances	\$0	\$40,571	\$43,071	\$43,071	\$43,071	\$43,071	\$77,740	\$80,240	\$80,240	\$80,240	\$136,234
Source Deduction and Other Government Remittances	\$82,157	\$175,859	\$271,077	\$347,294	\$351,894	\$512,670	\$627,542	\$761,698	\$835,059	\$956,931	\$1,058,953
Non Payroll Expenses	\$167,458	\$254,332	\$382,050	\$515,635	\$684,524	\$811,324	\$954,148	\$1,086,486	\$1,250,830	\$1,425,998	\$1,559,566
<b>Total Payments</b>	<b>\$810,491</b>	<b>\$1,401,955</b>	<b>\$1,928,168</b>	<b>\$2,395,694</b>	<b>\$3,404,653</b>	<b>\$4,195,940</b>	<b>\$4,888,446</b>	<b>\$5,392,670</b>	<b>\$6,155,884</b>	<b>\$6,783,270</b>	<b>\$7,468,482</b>
<b>Available Cash After Payroll, Remittances and Payables</b>	<b>-\$1,614,317</b>	<b>-\$1,773,310</b>	<b>-\$1,638,310</b>	<b>-\$1,166,144</b>	<b>-\$1,681,460</b>	<b>-\$1,469,617</b>	<b>-\$1,840,872</b>	<b>-\$1,557,341</b>	<b>-\$1,998,670</b>	<b>-\$2,241,908</b>	<b>-\$2,455,777</b>
Amount over \$2M LOC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$241,908	\$455,777

**Schedule 1(d)**  
**Authorizations**

**Ontario** - Insurance Act License No. 29990M issued by Financial Services Regulatory Authority of Ontario under Insurance Act (Ontario)

**British Columbia** - Certificate of License (Life License – Corporate) No. LIC-152092C89306R2 issued by the Insurance Council of British Columbia under the Financial Institutions Act

**Alberta** - License No. 5-10930562-2021 issued by the Alberta Insurance Council – current to June 30, 2022 – authorizes firm to act in Alberta as a Life Insurance Agent to transact life insurance business for Manufacturers Life Insurance Company (The)

**Alberta** - License No. 6-10930562-2021 issued by the Alberta Insurance Council – current to June 30, 2022 – authorizes firm to act in Alberta as an Accident & Sickness Agent to transact Accident and Sickness Insurance

**Saskatchewan** - License No. 03507 issued by the Insurance Councils of Saskatchewan under the Insurance Act (Saskatchewan) for Life and Accident & Sickness

○ License recommended by: (i) The Canada Life Assurance Company, and (ii) The Manufacturers Life Insurance Company

**Nova Scotia** - Nova Scotia Finance and Treasury Board, Office of the Superintendent of Insurance– Licensed Insurance Agency, License No. 20201112800000 (Life, Accident & Sickness)

**Manitoba** – Life and Accident & Sickness Licenses

- License No. 11650-664-2021 – Kenneth (Ken) Rousselle
- License No. 16027-664-2021 – Joy Melis

**Schedule 2.1  
Permitted Liens**

<u>Debtor</u>	<u>File No.</u>	<u>Registration No.</u>	<u>Collateral / Document</u>	<u>Secured Party</u>	<u>Registration Period</u>
Datatax Business Services Limited	783985329	20220615 0933 1590 7149	Inventory Equipment Accounts Other Motor Vehicle Included	Steven J. Ibbotson	Reg. 5 years  Expires 06/15/2027
Farm Business Consultants Inc.	731496321300	20170901 1034 8077 0029	Equipment Other	Hewlett-Packard Financial Services Canada Company  Compagnie de Services Financiers Hewlett-Packard Canada	Reg. 25 year(s) Expires 09/01/2042



**Schedule 2.1(e)**  
**Assumed Contracts**

All Membership Contracts

Lease (if any) between Datatax and Opcos for computers, and furniture and equipment-owned by Datatax (not sure if there is a proper lease)

Two employee Loan agreements (Grant Diamond and Tim Locton)

**Schedule 2.1(h)  
Intellectual Property**

*Canadian registered trademarks:*

**Owner: Datatax Business Services Limited**

<p>SPEED FILE AND DESIGN</p> 	TMA 398,641	1990-01-25	2032-05-29
EASYRECORDBOOKS	TMA 905,194	2014-04-23	2030-06-03
DATATAX	TMA 441,118	1994-05-06	2025-03-24
ERB	TMA 905,078	2014-04-23	2030-06-02
ASSET PRESERVATION FOR YOU	TMA 556,476	2000-01-17	2032-01-16
 <b>@asy Recordbook</b>	TMA 554,679	2000-01-24	2031-11-29
	TMA 932,462	2015-03-03	2031-03-23

*Proprietary technology and computer software:\*\**

**TANGIBLE**

1. Tax Guard (offline-capable T1/T2 tax data collection, bookkeeping/ASAI/GST/FS/Source & App system)
2. TGO (tax data administration system)
3. MM (desktop application for Membership administration / CRM)
4. MM3 (web application for Membership administration / CRM)
5. MM3-Communication History (web application for collating & recording all communication between FBC & Members) \*
6. Tax Advantage (iOS & Android smartphone application for Members) \*
7. FBC Rep App (iOS & Android smartphone application for field reps, including phone & text capabilities that integrate with MM3-Communication History)
8. FBC-OCR (engine & rules to read tax information from images of tax documents)
9. Purple-Lines (desktop rep commission calculation system)
10. T2-Client (desktop T2-tax optimization system)
11. Atom (server-based T1-tax optimization system)
12. Atom-on-laptop (laptop-based T1-tax optimization system)
13. Member Center (secure web application for Members to view/edit account details and exchange tax documents)
14. MM3-T1-CPO application (web application for tax-data quality assurance)
15. Tax quality assurance rules (“Edits”)
16. MM3-Appointments application (web application for managing Member appointments)
17. Oracle-based tax and membership database schema
18. SQLServer-based CRM database schema
19. Decision-aids (web applications to support business and tax decision-making)
20. Domain-names (list provided separately)

**\*\* Note that some of the above list utilize licensed sub-components (eg Tax Advantage incorporates an annually licensed sub-component from Scanbot, and Atom incorporates licensed sub-component from TaxCycle).**

**INTANGIBLE**

1. “Tax Advantage” (smartphone application brand name)
2. “ATOM” (tax optimization brand name)
3. “Tax Guard” (tax data collection/preparation brand name)

4. Proven FBC Membership tax preparation workflow
5. Proven FBC Membership new member onboarding workflow (& data collection)
6. Database of Membership information (96,000 individuals, 16,000 corporations, 11,000 partnerships)

#### **NON-SYSTEMS IP**

1. Staff training courses (esp. tax and bookkeeping related)
2. One-stop-shop approach (tax, bookkeeping, estate-planning, back-office, paralegal, etc.)

**Schedule 3.2**  
**Purchase Price Allocation**

As agreed between the Vendor and the Purchaser, in consultation with the Proposal Trustee, at or before Closing.

**Schedule 7.1**  
**Bidding Procedures**

See attached.

## Procedures for the Sale Solicitation Process

On August [17], 2023, Datatax Business Services Limited (“**Datatax**”) filed a notice of intention to make a proposal (the “**NOI**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”). KPMG Inc. was named as the proposal trustee under the NOI (in such capacity, the “**Proposal Trustee**”).

On [July 31 / August 1], 2023, the Superior Court of Ontario (Commercial List) in the City of Toronto (the “**Court**”) granted an order (the “**SSP Order**”) pursuant to the BIA, authorizing Datatax to undertake a sale solicitation process (“**SSP**”) for the sale of its assets (the “**Property**”) and business operations (the “**Business**”) conducted through its operating subsidiaries, FBC Financial & Estate Planning Services Inc., Farm Business Consultants Inc., and Wheatland Accounting Services Inc. (collectively, the “**Opcos**”). The SSP will be conducted by the Proposal Trustee in the manner set forth herein.

Among other things, the SSP Order also: (a) approved the procedures set out in this Schedule (the “**Bidding Procedures**”) for the solicitation of offers or proposals (each a “**Bid**”) for the acquisition of all the Property and Business of Datatax, and (b) approved the form of asset purchase agreement entered into on August [X], 2023 between Datatax, as seller, and [X], as purchaser (the “**Stalking Horse Bidder**”) (as same may be amended from time to time pursuant to its terms, the “**Stalking Horse Agreement**”) as the “**Stalking Horse Bid**” for the purposes of the SSP, provided that the Stalking Horse Agreement and the transactions provided for therein must be submitted to the Court for consideration in a subsequent application upon completion of the SSP or upon termination thereof and the Stalking Horse Agreement being the Successful Bid (as defined below).

### Bidding Procedures

#### *Opportunity*

1. The SSP is intended to solicit interest from qualified parties in an acquisition of all the Property and Business of Datatax, with a completion date of a transaction or transactions no later than [Friday, October 13 / Monday, October 16], 2023 (the “**Opportunity**”).
2. The Stalking Horse Agreement constitutes a qualified Bid by the Stalking Horse Bidder for all purposes and at all times under this SSP and will serve as the Stalking Horse Bid for purposes of this SSP and these Bidding Procedures.

#### *General Terms*

3. The Bidding Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning Datatax and the Business, the manner in which bidders may participate in the SSP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith.
4. The Proposal Trustee, in consultation with Datatax, may at any time and from time to time, modify, amend, vary or supplement the Bidding Procedures, without the need for obtaining an order of the Court or providing notice to Bidders, Qualified Bidders, or the Successful Bidder, provided that the Proposal Trustee determines that such modification, amendment, variation or supplement is expressly limited to changes that do not materially alter, amend or prejudice the rights of such Bidders (including the rights of the Stalking Horse Bidder, except with the authorization of the Stalking Horse Bidder) and that are necessary or useful in order to give effect to the substance of the SSP, the Bidding Procedures and the SSP Order. Notwithstanding the foregoing and for greater certainty, any modification to the dates and time limits indicated in the table contained in paragraph 4 herein will require the authorization of the Secured Lender, acting reasonably. The Proposal Trustee will post on the Proposal Trustee's website, as soon as practicable, any such modification, amendment, variation or supplement to the Bidding Procedures and inform the bidders impacted by such modifications.

5. In the event of a dispute as to the interpretation or application of the SSP Order or Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.
6. The Proposal Trustee, in consultation with Datatax, may, as it deems appropriate, consult with Fiera Private Debt Fund VI L.P. (the “**Secured Lender**”) throughout the SSP upon such assurances as to confidentiality as the Proposal Trustee may require.
7. Participants in the SSP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, the Auction and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

A summary of the key dates pursuant to the SSP is as follows: **[Timing TBC]**

Event	Timing
<p><b>1. Preparation</b></p> <p>Datatax to assemble due diligence information and set up VDR</p> <p>Proposal Trustee to prepare a Teaser Letter and NDA</p>	<p>In advance of Court approval of the SSP Order</p> <p><b>[Thursday, August 17], 2023</b></p>
<p><b>2. Notice</b></p> <p>[Datatax to publish notice of the SSP in <i>The Globe and Mail (National Edition)</i>]</p> <p>Proposal Trustee to distribute Teaser Letter and NDA to potentially interested parties</p>	<p>Within five (5) days following issuance of the SSP Order for Teaser Letter and NDA to be distributed.</p> <p><b>[Tuesday, August 22], 2023</b></p> <p>Within five (5) business days following issuance of the SSP Order for notice to be published in <i>The Globe and Mail (National Edition)</i>.</p> <p><b>[Thursday, August 24], 2023</b></p>
<p><b>3. Bid Deadline</b></p>	<p><b>[43]</b> days following issuance of SSP Order</p> <p><b>[Friday, September 29], 2023</b></p>
<p><b>4. Notice to Qualified Bidders</b></p> <p>Proposal Trustee to notify each Bidder in writing as to whether its Bid constitutes a Qualified Bid</p>	<p>Within three (3) days following Bid Deadline</p> <p><b>[Monday, October 2], 2023</b></p>
<p><b>5. Auction Date</b></p>	<p>Five (5) days following Bid Deadline</p> <p><b>[Wednesday, October 4], 2023</b></p>
<p><b>6. Sale Approval Motion</b></p>	<p><b>[Wednesday, October 11], 2023</b></p>



## 7. Closing – Successful Bid

Anticipated deadline for closing of Successful Bid being the Target Closing Date

**[Friday, October 13 / Monday, October 16], 2023** or such earlier date as is achievable.

## 8. Outside Date – Closing

Outside Date by which the Successful Bid must close

**[Friday, October 13 / Monday, October 16], 2023**

### ***Solicitation of Interest: Notice of the SSP***

8. As soon as reasonably practicable, but, in any event, by no later than five (5) days after the granting of the SSP Order:
  - a) the Proposal Trustee, in consultation with Datatax, will prepare a list of potential bidders, including (i) parties that have approached Datatax or the Proposal Trustee indicating an interest in the Opportunity, (ii) strategic and financial parties who the Proposal Trustee, in consultation with Datatax, believe may be interested in purchasing all the Property and Business, and (iii) parties that showed an interest in Datatax and/or its assets prior to the date of the SSP Order i, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the “**Known Potential Bidders**”); and
  - b) the Proposal Trustee, in consultation with Datatax, will prepare a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SSP and inviting recipients of the Teaser Letter to express their interest pursuant to the SSP; and (ii) a non-disclosure agreement in form and substance satisfactory to the Proposal Trustee and Datatax and their respective counsel which shall enure to the benefit of any purchaser of the Business or Property or any part thereof (an “**NDA**”).
9. The Proposal Trustee will cause the Teaser Letter and NDA to be sent to each Known Potential Bidder by no later than five (5) days from the SSP Order and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Proposal Trustee as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.
10. As soon as reasonably practicable, but, in any event, by no later than five (5) business days after the granting of the SSP Order, the Proposal Trustee will arrange for a notice of the SSP and any other relevant information that Datatax, in consultation with the Proposal Trustee, considers appropriate to be published as soon as reasonably practicable after the date hereof in *The Globe and Mail (National Edition)*.

### ***Potential Bidders and Due Diligence Materials***

11. Any party who wishes to participate in the SSP (a “**Potential Bidder**”) must provide to the Proposal Trustee (i) an NDA executed by it, (ii) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder, and (iii) any other information that the Proposal Trustee may reasonably request.
12. A confidential virtual data room (the “**VDR**”) in relation to the Opportunity will be made available by Datatax or by the Proposal Trustee to Potential Bidders that have executed the NDA. The VDR will be made available as soon as practicable. The Proposal Trustee may also, in consultation with Datatax, limit the access of any Potential Bidder to any confidential information in the VDR where the Proposal Trustee may also, in consultation with Datatax, reasonably determine that such access could negatively impact the SSP, the ability to maintain the confidentiality of the information, the Business or its value.

13. Without limiting the generality of any term or condition of any NDA between Datatax on the one hand, and any Potential Bidder or Bidder, on the other, unless otherwise agreed by the Proposal Trustee and Datatax or ordered by the Court, no Potential Bidder or Bidder shall be permitted to have any discussions with (a) any counterparty to any contract with Datatax or its subsidiaries, any secured creditor of Datatax, any current or former director, manager, shareholder, officer, member or employee of Datatax and its subsidiaries (or any of them), other than in the normal course of business and wholly unrelated to Datatax, the potential transaction, the confidential information, the SSP or the NOI, and (b) any other Potential Bidder or Bidder regarding the SSP or any bids submitted or contemplated to be submitted pursuant thereto. Notwithstanding the foregoing, where any such communications are agreed to with the Proposal Trustee's consent, such discussions shall be made in the presence of the Proposal Trustee.
14. A Potential Bidder that has executed an NDA will be provided a copy of the Stalking Horse Agreement, and any material amendments thereto, as soon as practicable.
15. Datatax, the Proposal Trustee, and their respective advisors make no representation or warranty as to the information contained in the Teaser Letter or otherwise made available pursuant to the SSP.

### **Formal Binding Offers**

16. Potential Bidders that wish to make a formal offer to purchase the Property and Business of Datatax (a "**Bidder**") shall submit a binding offer (a "**Bid**") that complies with all of the following requirements to the Proposal Trustee, which Bid shall be delivered by such Bidder by no later than 12:00 pm (Toronto Time) on **[September 29]**, 2023 or such later date as may be communicated by the Proposal Trustee to Potential Bidders via a Bid Deadline Letter (the "**Bid Deadline**").
17. The Bid will only be considered a "Qualified Bid" if the Bid complies at a minimum with the following:
  - a) it must be a duly executed binding offer ("**Binding Offer**") to acquire all or substantially all of the Property and Business of Datatax with a purchase price stated in Canadian Dollars;
  - b) the form of consideration for the proposed sale must be in cash;
  - c) it is received by the Bid Deadline;
  - d) is accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by Datatax by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two "**Business Days**" (a day on which banks are open for business in Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario) after the date of closing of the Successful Bid; and (B) the Outside Date;
  - e) it clearly indicates that such proposal will at a minimum and on closing, provide net cash proceeds that are not less than the aggregate total of: (i) the [total consideration] under the Stalking Horse Agreement (being **[\$X]**), plus (ii) an amount equivalent to the break fee of **[\$400,000]**, and (iii) a minimum overbid amount of **[\$150,000]** (the amounts set forth in this paragraph 17.e), the "**Minimum Purchase Price**");
  - f) it must include a redline to the Stalking Horse Agreement;
  - g) it provides written evidence, satisfactory to the Proposal Trustee, in consultation with Datatax, of the ability to consummate the transaction within the timeframe contemplated by the SSP and to satisfy any obligations or liabilities to be assumed on closing of the transaction;
  - h) it contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before **[Friday, October 13 / Monday, October 16]**, 2023, or such earlier date as is practical for the parties to close the contemplated transaction,

following the satisfaction or waiver of the conditions to closing (the "**Target Closing Date**") and in any event no later than **[Friday, October 13 / Monday, October 16]**, 2023 (the "**Outside Date**");

- i) it is not subject to any financing condition;
- j) it is unconditional, other than upon the receipt of the Sale Approval Order(s) and satisfaction of any other conditions expressly set forth in the Binding Offer;
- k) it identifies all proposed material conditions to closing including, without limitation, any internal, regulatory or other approvals and any form of consent, agreement or other document required from a government body, stakeholder or other third party, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such conditions, along with information sufficient for the Proposal Trustee, in consultation with Datatax, to determine that these conditions are reasonable in relation to the Bidder;
- l) includes acknowledgments and representations of the Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Business in making its Binding Offer; (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; and (iv) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition, antitrust or other applicable governmental authorities;
- m) it is accompanied by a deposit in the amount of not less than 10% of the [total consideration] on closing (the "**Deposit**"), which shall be payable to the Proposal Trustee and held in trust and dealt with in accordance with paragraph **[27]**;
- n) it contains such other information as may be reasonably requested by the Proposal Trustee, in consultation with Datatax; and
- o) it does not provide for any break fee or expense reimbursement, it being understood and agreed that no bidder will be entitled to any such bid protections.

### ***Stalking Horse Agreement***

- 18. For greater certainty, the mutual releases provided for in the Stalking Horse Agreement are personal and specific to the Stalking Horse Bidder and should not be available to other Bidders, except at the sole discretion of the Secured Lender and Datatax.
- 19. For purposes of all other Bids and Overbids, the principal payments owing to the Secured Lender shall continue to accrue all interest, fees, and expenses as permitted under the secured debt facility.

### ***Assessment of Bids***

- 20. Following the Bid Deadline, the Proposal Trustee and Datatax will assess the Bids received. The Proposal Trustee, in consultation with Datatax, may designate the most competitive Bids that comply with the requirements set out herein to be "**Qualified Bids**". In performing such review and assessment, the Proposal Trustee and Datatax, may evaluate the following non-exhaustive list of considerations: (a) the purchase price and net value (including assumed liabilities and other obligations to be performed by the bidder); (b) the claims likely to be created by such Bid in relation to other Bids; (c) the counterparties to the transaction; (d) the terms of transaction documents, including, if applicable, the proposed revisions to the Stalking Horse Agreement; (e) the closing conditions and

other factors affecting the speed, certainty and value of the transaction; (f) planned treatment of stakeholders, including employees; (g) the assets included or excluded from the Bid; (h) any restructuring costs that would arise from the Bid; (i) the likelihood and timing of consummating the transaction; (j) the capital sufficient to implement post-closing measures and transactions; and (k) any other factors the directors or officers of Datatax may, in exercising their business judgment, reasonably deem relevant.

21. Datatax and the Proposal Trustee shall be under no obligation to designate the highest or otherwise best Bid, or any Bid, as a Qualified Bid. Only Bidders whose Bids have been designated as Qualified Bids (such Bidders, being "**Qualified Bidders**") shall be eligible to participate in the Auction.
22. The Proposal Trustee shall cause each Bidder to be notified in writing as to whether its Bid constituted a Qualified Bid within three (3) Business Days of the Bid Deadline.
23. The Stalking Horse Agreement shall constitute a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder for all purposes under the SSP, including the Auction, notwithstanding anything to the contrary contained herein.
24. The Proposal Trustee, in consultation with Datatax and the Secured Lender, may waive compliance with any one or more of the requirements set out in these Bidding Procedures and deem such non-compliant Bids to be a Qualified Bid.
25. The Proposal Trustee and Datatax shall be entitled to discuss and negotiate the Bid prior to the Bid Deadline for purposes of amending or clarifying the terms and form thereof.
26. In the event that, following the expiry of [twenty-nine (29)] days after issuance of the SSP Order, being September 15, 2023, the Proposal Trustee concludes that there are no active participants in the SSP, the Proposal Trustee may terminate the SSP prior to the Bid Deadline. The Stalking Horse Bid would be deemed the Successful Bid without the requirement of holding the Auction, and Datatax will proceed to seek Court approval of the Stalking Horse Agreement as the Successful Bid.
27. If no Bids are designated as Qualified Bids, the Stalking Horse Bid shall be deemed the Successful Bid without the requirement of holding the Auction, and Datatax will proceed to seek Court approval of the Stalking Horse Agreement as the Successful Bid.

### **Auction**

28. The Auction will commence at a time to be designated by the Proposal Trustee, at 10:00 am (Toronto Time) on **[October 4]**, 2023, and may, in the discretion of the Proposal Trustee, be held virtually via videoconference, teleconference or such other reasonable means as the Proposal Trustee deems appropriate. The Proposal Trustee and Datatax will work in good faith with the parties entitled to attend the Auction to arrange for the Auction to be so held.
29. The Auction will be conducted in accordance with the procedures set forth in this paragraph:
  - a) Except as otherwise permitted in the Proposal Trustee's discretion, only Datatax, the Proposal Trustee, the Qualified Bidders, and the Secured Lender, and, in each case, their respective professionals and representatives, will be entitled to attend the Auction. Only Qualified Bidders (including, for greater certainty, the Stalking Horse Bidder) are eligible to participate in the Auction;
  - b) Prior to the Auction, the Proposal Trustee will identify, in consultation with Datatax, the highest and best of the Qualified Bids received, taking into account all factors that they reasonably deem relevant to the value of such bid, including, among other things, those considerations listed in paragraph **[19]**, above. Such Qualified Bid will constitute the opening bid for the purposes of the Auction (the "**Opening Bid**"). Subsequent bidding will continue in minimum

increments valued at not less than \$[150,000] cash in excess of the Opening Bid (each, an “Overbid”), or as otherwise declared by the Proposal Trustee during the Auction with the approval of Datatax;

- c) The Opening Bid shall be disclosed to all Qualified Bidders participating in the Auction. The Auction shall be conducted such that all Overbids will be made and received, on an open basis, and all Auction participants will be entitled to be present for all bidding with the understanding that the true identity of each Auction participant will be fully disclosed to all other Auction participants and that all material terms of each subsequent bid will be fully disclosed to all other Auction participants throughout the entire Auction;
- d) Except as otherwise set forth herein, the Proposal Trustee, in consultation with Datatax, may waive and/or employ and announce at the Auction additional rules that are reasonable under the circumstances for conducting the Auction, provided that such rules are: (i) not inconsistent with the SSP Order, the SSP, the Bidding Procedures, the BIA, or any order of the Court issued in connection with the NOI; (ii) disclosed to each Qualified Bidder; and (iii) designed, in the Proposal Trustee's business judgment, to result in the highest and otherwise best offer;
- e) The Proposal Trustee may arrange for the actual bidding at the Auction to be transcribed or recorded. Each Qualified Bidder participating in the Auction will designate a single individual to be its spokesperson during the Auction;
- f) Each Qualified Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with Datatax or any other person regarding the SSP, that has not been disclosed to all other Qualified Bidders. For greater certainty, communications between the Stalking Horse Bidder and either Datatax or the Proposal Trustee with respect to and in preparation of the Stalking Horse Agreement, the SSP, the Bidding Procedures and other ancillary matters prior to the issuance of the SSP Order and the commencement of the SSP will not represent collusion nor communications prohibited by this paragraph;
- g) All Qualified Bidders will have the right, at any time, to request that the Proposal Trustee announce, subject to any potential new bids, the then-current highest and best bid and, to the extent requested by any Qualified Bidder, use reasonable efforts to clarify any and all questions such Qualified Bidder may have regarding the Proposal Trustee's announcement of the then-current highest and best bid;
- h) Each participating Qualified Bidder will be given reasonable opportunity to submit an Overbid at the Auction to any then-existing Overbids. The Auction will continue until the bidding has concluded and there is one remaining Qualified Bidder. At such time and upon the conclusion of the bidding, the Auction will be closed, and the final remaining Qualified Bidder will be the Successful Bidder;
- i) During the Auction, the Proposal Trustee, in consultation with Datatax, will:
  - i. review Overbids, taking into account all factors that they reasonably deem relevant to the value of such bid, including, among other things, those considerations listed in paragraph [19], above; and
  - ii. identify the highest or otherwise best Overbid received at any given time during the Auction, with the highest or otherwise best such bid or bids at the conclusion of the Auction being the Successful Bid, and the Qualified Bidder making such Bid the Successful Bid.
- j) Upon selection of a Successful Bidder, the Proposal Trustee will require the Successful Bidder to deliver, as soon as practicable, an amended and executed transaction document that reflects

their final bid and any other modifications submitted and agreed to during the Auction, prior to the filing of the application material for the hearing to consider the Sale Approval Motion;

- k) The Proposal Trustee and Datatax will not consider any bids submitted after the conclusion of the Auction;
30. The Successful Bid will be selected by no later than 5:00 p.m. (Eastern Time) on **[October 5]**, 2023 and the completion and execution of definitive documentation in respect of the Successful Bid must be finalized and executed no later than **[October 6]**, 2023, which definitive documentation will be conditional only upon the receipt of the Sale Approval Order(s) and the express conditions set out therein and will provide that the Successful Bidder will use all reasonable efforts to close the proposed transaction by no later than the Target Closing Date, or such longer period as may be agreed to by the Proposal Trustee, in consultation with Datatax and the Successful Bidder. In any event, the Successful Bid must be closed by no later than the Outside Date.

### ***Sale Approval Motion***

31. Datatax will apply to the Court (the "**Sale Approval Motion**") for one or more orders: (i) approving the Successful Bid and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting order so as to vest title to any purchased assets in the name of the Successful Bidder (collectively, the "**Sale Approval Order(s)**"). The Sale Approval Motion will be held on a date to be scheduled by Datatax and confirmed by the Court upon application by Datatax.

### ***Deposits***

32. The Deposit(s):
- a) will, upon receipt from the Qualified Bidder(s), be retained by the [Proposal Trustee] and deposited in a non-interest-bearing trust account;
  - b) received from the Successful Bidder, will:
    - i. be applied to the purchase price to be paid by the applicable Successful Bidder, upon closing of the approved transaction; and
    - ii. otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid, provided that all such documentation will provide that the Deposit will be retained by Datatax and forfeited by the Successful Bidder, if the Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the Successful Bid; and
  - c) received from the Qualified Bidder(s) that are not the Successful Bid will be fully refunded, to the Qualified Bidder(s) that paid the Deposit(s) as soon as practical following the closing of the Successful Bid.

### ***Further Orders***

33. At any time during the SSP, Datatax, the Secured Lender or the Proposal Trustee may apply to the Court for advice and directions with respect to any aspect of this SSP including, but not limited to, the continuation of the SSP or with respect to the discharge of its powers and duties hereunder.

### ***Supervision of the SSP***

34. The Proposal Trustee shall oversee and conduct the SSP, in all respects, and, without limitation to that supervisory role, the Proposal Trustee will participate in the SSP in the manner set out in this SSP, the SSP Order, and any other orders of the Court, and is entitled to receive all information in relation to the SSP.
35. This SSP does not and will not be interpreted to create any contractual or other legal relationship between Datatax or the Proposal Trustee and any Potential Bidder, Bidder, Qualified Bidder, Successful Bidder or any other party, other than as specifically set forth in a definitive agreement that may be entered into with Datatax.
36. Without limiting the generality of preceding paragraph, the Proposal Trustee shall not have any liability whatsoever to any person or party, including, without limitation, any Potential Bidder, Bidder, Qualified Bidder, Successful Bidder, Datatax, or any other creditor or other stakeholder of Datatax, for any act or omission related to the process contemplated by this SSP. By submitting a Bid, each Bidder shall be deemed to have agreed that it has no claim against the Proposal Trustee for any reason whatsoever.

**Schedule 9.2(1)(f)**  
**Form of Release in Favour of Steven Ibbotson**

See attached.



## FULL AND FINAL RELEASE

**WHEREAS** on June 22, 2022, a term loan agreement was entered into among, *inter alios*, 1000148156 Ontario Inc. (“**100 Ontario**” and now, “**Datatax Business Services Limited**” following amalgamation by its predecessors, Datatax Business Services Limited, 100 Ontario, and 1000037021 Ontario Inc.), as borrower, FBC Financial & Estate Planning Services Inc. (“**FBC Financial**”), Farm Business Consultants Inc. (“**Farm**”), and Wheatland Accounting Services Inc. (“**Wheatland**”), as guarantors, Noah Murad and Jacob Murad, as personal guarantors, 997322 Ontario Inc., 2394419 Ontario Limited, 1000200373 Ontario Inc., and 2774118 Ontario Inc., as limited recourse guarantors, and Fiera Private Debt Fund VI L.P. (“**Fiera**”), as lender (the “**Loan Agreement**”);

**AND WHEREAS** pursuant to the Loan Agreement, Fiera advanced the principal amount of \$34.3 million to finance a portion of the total purchase price for the acquisition of Datatax Business Services Limited (the “**Acquisition**”);

**AND WHEREAS** among other things, the terms of the Loan Agreement required Jacob Murad and Noah Murad, directly or indirectly, to make a minimum equity contribution of \$5 million towards the Acquisition;

**AND WHEREAS** on March 23, 2022, a share purchase agreement was entered into among, *inter alios*, 100 Ontario, as purchaser, Steven J. Ibbotson, as vendor, 1000037021 Ontario Inc, Datatax Business Services Limited, FBC Financial, Farm, and Wheatland (as amended on June 22, 2022, the “**Acquisition Agreement**”) and on June 22, 2022, an employment agreement was entered into between 100 Ontario and Steven J. Ibbotson with an effective date of January 1, 2023 (the “**Employment Agreement**”);

**AND WHEREAS** on August [X], 2023, an asset purchase agreement was entered into between 2872802 Ontario Inc., as purchaser, and Datatax Business Services Limited, as vendor (the “**Asset Purchase Agreement**”).

**AND WHEREAS** the terms of the Asset Purchase Agreement require Datatax Business Services Limited and Fiera to grant a release to Steven J. Ibbotson;

**NOW THEREFORE IN CONSIDERATION OF** the Asset Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. Fiera and Datatax Business Services Limited and their respective assigns,

agents, servants, representatives, heirs, trustees, predecessors and successors, past present or future, and any person claiming through or under them (the “**Releasors**”), **DO HEREBY IRREVOCABLY RELEASE AND FOREVER DISCHARGE** Steven J. Ibbotson and his assigns, affiliates, related parties, agents, and representatives (collectively, the “**Releasees**”) from and against any and all manner of claims, actions, causes of action, suits, disputes, proceedings, obligations, liabilities, duties, dues, debts, costs, sums of money, accounts, interests, bonds, covenants, controversies, agreements, promises, contracts, torts, demands, liabilities, claims, damages, indemnity and demands whatsoever, past, present or future, whether known or unknown, developed or undeveloped, anticipated or unanticipated, suspected or unsuspected, in law or in equity, express or implied or by operation of law, whether known or unknown, which the Releasors had, now have or may hereafter have against the Releasees arising from, out of, or in connection with any and all matters which were or could have been raised with respect to the Loan Agreement, Acquisition, Employment Agreement and Acquisition Agreement (the “**Released Claims**”).

2. The Releasors agree not to make any claims or take any proceedings in connection with any of the Released Claims against the Releasees or any other party (except Personal Guarantors and Limited Recourse Guarantors as those parties are defined in the Loan Agreement) that might claim contribution or indemnity from the Releasees by virtue of the said claim or proceeding. The Releasors’ rights and remedies against the Personal Guarantors and Limited Recourse Guarantors, including under the terms of the Loan Agreement, their respective guarantees and at law, are all strictly reserved , but for greater certainty nothing in this paragraph shall limit or restrict the right of the Releasors to fully defend themselves against any claim or proceeding commenced or initiated against them.
3. If either or both of the Releasors hereafter make any claims or demands or takes or threatens to take any action or other proceeding in breach of paragraph 2, then this Release shall operate conclusively as an estoppel and complete defence to any such claim, demand or proceeding and may be relied upon to have the claim, action, complaint or proceeding dismissed on a summary basis, without objection by the Releasors, and the Releasor making such claim or demand will be liable

to the Releasees for the legal costs incurred in any such proceeding, on a full indemnity scale.

4. The Releasors represent and warrant that they have not assigned to any person any of the Released Claims.
5. The Releasors acknowledge and declare that:
  - a. they each fully understand the terms of the Asset Purchase Agreement and this Release;
  - b. they voluntarily accept the consideration set out above for the purpose of making a full and final settlement of the Released Claims;
  - c. this Release is not an admission of liability on the part of the Releasees and such liability is denied; and
  - d. this Release is made and given voluntarily, after receiving independent legal advice.
6. This Release shall in all respects be construed, enforced, and governed by the laws of the Province of Ontario. Should any dispute arise regarding this Release, the Releasors unconditionally attorns to the jurisdiction of the courts of the Province of Ontario.
7. This Release shall enure to the benefit of the Releasees and shall be binding on the Releasors, their respective representatives, trustees, attorneys, affiliates, agents, heirs, administrators, successors, and assigns, as the case may be.
8. This Release may be executed and transmitted by facsimile, e-mail or other electronic transmission, and if so executed, shall be legal, valid, and binding.

***[The remainder of this page is intentionally blank]***

**IN WITNESS WHEREOF** the undersigned have executed this Full and Final Release  
this \_\_\_\_\_ day of August, 2023.

**DATATAX BUSINESS SERVICES LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

**FIERA PRIVATE DEBT FUND VI L.P.**  
By its general partner  
**FIERA PRIVATE DEBT FUND GP INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**Schedule 9.2(2)(b)**  
**Form of Purchaser Release**

See attached.

## FULL AND FINAL RELEASE

**WHEREAS** on June 22, 2022, a term loan agreement was entered into among, *inter alios*, 1000148156 Ontario Inc. (“**100 Ontario**” and now, “**Datatax Business Services Limited**” following amalgamation by its predecessors, Datatax Business Services Limited, 100 Ontario, and 1000037021 Ontario Inc.), as borrower, FBC Financial & Estate Planning Services Inc. (“**FBC Financial**”), Farm Business Consultants Inc. (“**Farm**”), and Wheatland Accounting Services Inc. (“**Wheatland**”), as guarantors, Noah Murad and Jacob Murad, as personal guarantors, 997322 Ontario Inc., 2394419 Ontario Limited, 1000200373 Ontario Inc., and 2774118 Ontario Inc., as limited recourse guarantors, and Fiera Private Debt Fund VI L.P. (“**Fiera**”), as lender (the “**Loan Agreement**”);

**AND WHEREAS** pursuant to the Loan Agreement, Fiera advanced the principal amount of \$34.3 million to finance a portion of the total purchase price for the acquisition of Datatax Business Services Limited (the “**Acquisition**”);

**AND WHEREAS** on March 23, 2022, a share purchase agreement was entered into among, *inter alios*, 100 Ontario, as purchaser, Steven J. Ibbotson, as vendor, 1000037021 Ontario Inc, Datatax Business Services Limited, FBC Financial, Farm, and Wheatland (as amended on June 22, 2022, the “**Acquisition Agreement**”) and on June 22, 2022, an employment agreement was entered into between 100 Ontario and Steven J. Ibbotson with an effective date of January 1, 2023 (the “**Employment Agreement**”);

**AND WHEREAS** on November 7, 2022, Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List) confirmed the appointments (the “**Appointments**”) of Brent Houlden as the sole director of Datatax Business Services Limited, FBC Financial, Farm, and Wheatland (collectively, the “**Companies**”) and Naveed Manzoor, on behalf of FAAN Advisors Group Inc. (collectively “**FAAN**”), as Interim Chief Executive Officer of the Companies.

**AND WHEREAS** on August [X], 2023, an asset purchase agreement was entered into between 2872802 Ontario Inc. (“**287 Ontario**”), as purchaser, and Datatax Business Services Limited, as vendor (the “**Asset Purchase Agreement**”).

**AND WHEREAS** the terms of the Asset Purchase Agreement require 287 Ontario and Steven J. Ibbotson to grant a release to Datatax Business Services Limited, Fiera, Brent Houlden, and FAAN;

**NOW THEREFORE IN CONSIDERATION OF** the Asset Purchase Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. 287 Ontario and Steven J. Ibbotson and their respective assigns, agents, servants, representatives, heirs, trustees, predecessors and successors, past present or future, and any person claiming through or under them (the **"Releasors"**), **DO HEREBY IRREVOCABLY RELEASE AND FOREVER DISCHARGE** Datatax Business Services Limited, Fiera, Brent Houlden, FAAN, and Naveed Manzoor, and their assigns, successors, affiliates, subsidiaries, shareholders, officers, directors, employees, related parties, agents, and representatives (collectively, the **"Releasees"**) from and against any and all manner of claims, actions, causes of action, suits, disputes, proceedings, obligations, liabilities, duties, dues, debts, costs, sums of money, accounts, interests, bonds, covenants, controversies, agreements, promises, contracts, torts, demands, liabilities, claims, damages, indemnity and demands whatsoever, past, present or future, whether known or unknown, developed or undeveloped, anticipated or unanticipated, suspected or unsuspected, in law or in equity, express or implied or by operation of law, whether known or unknown, which the Releasors had, now have or may hereafter have against the Releasees arising from, out of, or in connection with any and all matters which were or could have been raised with respect to the Loan Agreement, Acquisition, Acquisition Agreement, Employment Agreement, the Appointments and management and operation of Datatax and its subsidiaries from the date thereof, and any enforcement steps taken by Fiera in respect of the Loan Agreement (the **"Released Claims"**).
2. The Releasors agree not to make any claims or take any proceedings in connection with any of the Released Claims against the Releasees or any other party that might claim contribution or indemnity from the Releasees by virtue of the said claim or proceeding, but for greater certainty nothing in this paragraph shall limit or restrict the right of the Releasors to fully defend themselves against any claim or proceeding commenced or initiated against them.
3. If either or both of the Releasors hereafter make any claims or demands or takes or threatens to take any action or other proceeding in breach of paragraph 2, then

this Release shall operate conclusively as an estoppel and complete defence to any such claim, demand or proceeding and may be relied upon to have the claim, action, complaint or proceeding dismissed on a summary basis, without objection by the Releasors, and the Releasor making such claim or demand will be liable to the Releasees for the legal costs incurred in any such proceeding, on a full indemnity scale.

4. The Releasors represent and warrant that they have not assigned to any person any of the Released Claims.
5. The Releasors acknowledge and declare that:
  - a. they each fully understand the terms of the Asset Purchase Agreement and this Release;
  - b. they voluntarily accept the consideration set out above for the purpose of making a full and final settlement of the Released Claims;
  - c. this Release is not an admission of liability on the part of the Releasees and such liability is denied; and
  - d. this Release is made and given voluntarily, after receiving independent legal advice.
6. This Release shall in all respects be construed, enforced, and governed by the laws of the Province of Ontario. Should any dispute arise regarding this Release, the Releasors unconditionally attorns to the jurisdiction of the courts of the Province of Ontario.
7. This Release shall enure to the benefit of the Releasees and shall be binding on the Releasors, their respective representatives, trustees, attorneys, affiliates, agents, heirs, administrators, successors, and assigns, as the case may be.
8. This Release may be executed and transmitted by facsimile, e-mail or other electronic transmission, and if so executed, shall be legal, valid, and binding.

***[The remainder of this page is intentionally blank]***



**IN WITNESS WHEREOF** the undersigned have executed this Full and Final Release  
this \_\_\_\_\_ day of August, 2023.

**2872802 ONTARIO INC.**

By: \_\_\_\_\_

Name:

Title:

**STEVEN J. IBBOTSON**

\_\_\_\_\_

## **APPENDIX "E"**

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

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
DATATAX BUSINESS SERVICES LIMITED**

**AFFIDAVIT OF PRITESH PATEL  
(sworn October 5, 2023)**

I, Pritesh Patel, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Vice President of KPMG Inc. (“**KPMG**”), and, as such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. Datatax Business Services Limited (“**Datatax**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (the “**NOI**”) pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) R.S.C. 1985, c. B.-3, as amended (the “**BIA**”), on August 14, 2023 (the “**Filing Date**”). KPMG consented to act as proposal trustee (the “**Proposal Trustee**”) in connection with the NOI proceedings.
3. Before and after the Filing Date, the Proposal Trustee has provided services and incurred disbursements, in the amount of \$119,280.50 (excluding HST) in the period from August 1, 2023 to September 30, 2023 (the “**Period**”). Attached hereto and marked as Exhibit “**A**” to this my Affidavit is a summary of all invoices rendered by the Proposal Trustee during the Period (the “**Accounts**”).
4. True copies of the Accounts, which include a fair and accurate description of the services provided along with hours and applicable rates claimed by the Proposal Trustee, are attached as Exhibit “**B**” to this my Affidavit.

5. KPMG, in its capacity as Proposal Trustee, previously filed one report with this Court (the “**Prior Report**”). In addition, and contemporaneously with the filing of this Affidavit, the Proposal Trustee is filing its second report to the Court (the “**Second Report**” and together with the Prior Report, the “**Reports**”). Details of the activities undertaken and services provided by the Proposal Trustee in connection with the administration of the NOI proceedings are described in the Reports.
6. In the course of performing its duties, statutory or otherwise, the Proposal Trustee’s staff has expended a total of 203.3 hours during the Period. Attached as Exhibit “C” to this my Affidavit is a schedule setting out a summary of the individual staff involved in the administration of the NOI proceedings and the hours and applicable rates claimed by the Proposal for the Period. The average hourly rate billed by the Receiver during the Period is \$542.23.
7. The Proposal Trustee requests that this Court approve its Accounts for the Period, in the total amount of \$119,280.50 (excluding HST) for services rendered and recorded during the Period.
8. Bennett Jones LLP (“**Bennett Jones**”), as independent legal counsel to the Proposal Trustee, has also rendered services and incurred disbursements throughout these proceedings in a manner consistent with the instructions of the Proposal Trustee and have prepared an affidavit with respect to the services rendered for the period from August 10, 2023 to September 30, 2023. The Proposal Trustee has reviewed the invoices rendered by Bennett Jones during this period and is satisfied that their activities were consistent with the instructions of the Proposal Trustee.
9. The Proposal Trustee’s fees and disbursements, and those of its counsel, for the period from October 1, 2023 to the date upon which the Proposal Trustee files a certificate (the “**Termination Certificate**”) with the Court certifying that all remaining matters in the NOI proceedings have been completed (the “**Remaining Matters**”) will be calculated and billed at the standard rates currently in effect. Barring any delays, disputes or unforeseen circumstances in connection with this matter, including the within motion, and taking into account the Remaining Matters to be completed, I estimate that those fees and disbursements

will not exceed \$100,000 (excluding applicable taxes), including the fees and disbursements of Bennett Jones (the “**Remaining Fees and Disbursements**”).

10. The above estimate takes into consideration the reasonable professional and legal fees required to complete the Remaining Matters up to the effective date of the Termination Certificate. If the actual Remaining Fees and Disbursements are less than the above estimates, no further Court approval of fees is required. If the actual Remaining Fees and Disbursements exceed the estimates, the Proposal Trustee will seek the consent of Fiera Private Fund VI L.P. to pay same, without further Order of the Court.
11. To the best of my knowledge, the rates charged by the Proposal Trustee and Bennett Jones are comparable to the rates charged for the provision of similar services by other accounting and law firms in the Greater Toronto Area.
12. I verily believe that the fees and disbursements incurred by the Proposal Trustee and Bennett Jones are fair and reasonable in the circumstances.
13. This Affidavit is sworn in connection with a motion for an Order of this Court to, among other things, approve the fees and disbursements of the Proposal Trustee and Bennett Jones and for no other or improper purpose.

SWORN BEFORE ME over )  
videoconference on this 5<sup>th</sup> day of October, )  
2023. The affiant was located in the City of )  
Toronto, in the Province of Ontario and the )  
Commissioner was located in the City of )  
Toronto, in the Province of Ontario. This )  
affidavit was commissioned remotely as a )  
result of COVID-19 and the declaration was )  
administered in accordance with Ontario )  
*Regulation 431/20* )

  
\_\_\_\_\_  
**AIDEN NELMS**

A Commissioner for Oaths in and for the  
Province of Ontario

  
\_\_\_\_\_  
**PRITESH PATEL**

This is Exhibit "A" referred to in the Affidavit of Pritesh Patel,

SWORN BEFORE ME over )  
videoconference on this 5<sup>th</sup> day of October, )  
2023. The affiant was located in the City of )  
Toronto, in the Province of Ontario and the )  
Commissioner was located in the City of )  
Toronto, in the Province of Ontario. This )  
affidavit was commissioned remotely as a )  
result of COVID-19 and the declaration was )  
administered in accordance with Ontario )  
*Regulation 431/20* )



**AIDEN NELMS**

A Commissioner for Oaths in and for the  
Province of Ontario



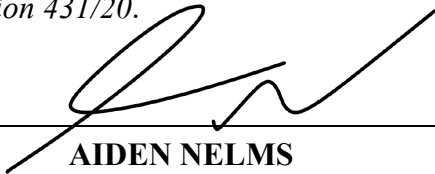
**PRITESH PATEL**

**KPMG Inc.**  
**in its capacity as Proposal Trustee of**  
**Datatax Business Services Limited**  
**Statement of accounts**

<b>Invoice #</b>	<b>Period</b>	<b>Fees</b>	<b>Disbursements</b>	<b>Sub total</b>	<b>HST</b>	<b>Total</b>
8005050911	August 1 to September 30, 2023	\$ 110,207.75	\$ 9,072.75	\$ 119,280.50	\$ 15,506.47	\$ 134,786.97
		<b>Total \$ 110,207.75</b>	<b>\$ 9,072.75</b>	<b>\$ 119,280.50</b>	<b>\$ 15,506.47</b>	<b>\$ 134,786.97</b>

This is Exhibit "B" referred to in the Affidavit of Pritesh Patel,

SWORN BEFORE ME over )  
videoconference on this 5<sup>th</sup> day of October, )  
2023. The affiant was located in the City of )  
Toronto, in the Province of Ontario and the )  
Commissioner was located in the City of )  
Toronto, in the Province of Ontario. This )  
affidavit was commissioned remotely as a )  
result of COVID-19 and the declaration was )  
administered in accordance with Ontario )  
*Regulation 431/20.* )



---

**AIDEN NELMS**

A Commissioner for Oaths in and for the  
Province of Ontario



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**PRITESH PATEL**





**KPMG Inc.**  
 Suite 4600 Bay Adelaide Centre  
 333 Bay Street  
 Toronto, ON M5H 2S5

**Payment Address:**  
 KPMG LLP, T4348  
 P.O. Box 4348, Station A  
 Toronto, ON M5W 7A6

October 4, 2023

Datatax Business Services Limited  
 15 Mill Street  
 Thornhill, ON L4J 8C5

Invoice : 8005050911  
 Reference : 2001808971  
 Client : 1005391485  
 Contact : Pritesh Patel  
 Telephone : (416) 468-7923  
 Email : pritpatel@kpmg.ca

For professional services rendered from August 1 to September 30, 2023 as per Engagement Letter dated August 2, 2023

Our Fee	\$	110,207.75 CAD
Technology and Support Charge		5,510.39
Disbursements		3,562.36
		\$ 119,280.50 CAD
HST		15,506.47
		\$ 134,786.97 CAD

Payment is due upon receipt

GST/HST Number 12236 3153 RT0001 QST Registration 1023774310 TQ0001

**CAD Cheque Payments: KPMG LLP, T4348, P.O. Box 4348, Station A, Toronto, ON M5W 7A6**  
**Please return remittance advice with cheque.**

**CAD Wire Payments:** Beneficiary: KPMG LLP  
 Bank Details: TD Canada Trust, 55 King St. West, Toronto, ON M5K 1A2, Bank Code # 004, Transit # 10252,  
 Account # 0938281, Swift Code TDOMCATTOR  
 Please e-mail related wire payment details including invoice number to kpmg-ar@kpmg.ca

**Invoice No:** 8005050911    **Reference:** 2001808971    **Client:** 1005391485    **Amount:** \$ 134,786.97 CAD

**Datatax Business Services Limited**  
**Professional Fees Summary**  
**For the period from August 1 to September 30, 2023**

<b>Name</b>	<b>Position</b>	<b>Hours</b>	<b>Rate</b>	<b>Fee (\$)</b>
Pritesh Patel	Partner	107.50	\$ 695.00	\$ 74,712.50
Paul Van Eyk	Partner	3.25	\$ 695.00	\$ 2,258.75
Broderick Lomax	Sr. Associate	77.65	\$ 385.00	\$ 29,895.25
Angelina Hung	Technician	14.25	\$ 225.00	\$ 3,206.25
Annette Chopowick	Technician	0.60	\$ 225.00	\$ 135.00
<b>Total Professional Fees</b>		<b>203.25</b>		<b>\$ 110,207.75</b>
Tech and Support Charge Fee 5%				5,510.39
Expenses				3,562.36
<b>Total Fees</b>				<b>\$ 119,280.50</b>

**Datatax Business Services Limited**  
**Time Keeper Details**  
**For the period from August 1 to September 30, 2023**

Work Date	Name	Time Narrative	Hours	Rate	Fee (\$)
08/01/2023	Patel, Pritesh	Review and comments on DIP Term Sheet; emails with company re requirements for NOI filing; preparation of draft BOD resolution and email to company on same; review of preliminary cash flow.	3.00	\$ 695	\$ 2,085.00
08/02/2023	Patel, Pritesh	Call with Datatax CFO re filing docs for NOI, cash flow; discussion with B.Lomax on preparation for filing and next steps.	1.50	\$ 695	\$ 1,042.50
08/02/2023	Hung, Angelina	Coordinate initial NOI filing documents.	0.20	\$ 225	\$ 45.00
08/02/2023	Lomax, Broderick	Creditor links Website and Functional Mailbox Creation; Cashflow review and formatting for filing; Creditors List and Supplemental Review; Discussion with P. Patel re: filing status and next steps.	1.50	\$ 385	\$ 577.50
08/03/2023	Patel, Pritesh	Update call with Fiera counsel re status and next steps; review of NOI filing docs, discussion with KPMG team on same; review of emails from SE and Datatax re APA and next steps.	1.50	\$ 695	\$ 1,042.50
08/03/2023	Chopowick, Annette	Work with A.Hung re estate set up.	0.20	\$ 225	\$ 45.00
08/03/2023	Hung, Angelina	Set up account in Ascend and prepare draft NOI filing documents.	2.00	\$ 225	\$ 450.00
08/03/2023	Lomax, Broderick	Creditor links Website and Functional Mailbox Creation; Discussion with P. Patel re: filing status and next steps; Potential Buyers List Review; Discussions with DFIN re: Dataroom setup.	3.50	\$ 385	\$ 1,347.50
08/04/2023	Patel, Pritesh	Review of emails re APA and next steps.	0.50	\$ 695	\$ 347.50
08/04/2023	Lomax, Broderick	Discussions with DFIN re: Dataroom setup.	0.50	\$ 385	\$ 192.50
08/08/2023	Patel, Pritesh	Update call with Fiera counsel and debtor counsel re status of APA and next steps.	1.00	\$ 695	\$ 695.00
08/08/2023	Van Eyk, Paul	Call with Fiera counsel and debtor counsel.	1.00	\$ 695	\$ 695.00
08/09/2023	Patel, Pritesh	Attendance at case conference re scheduling; follow-up call with counsels on same.	0.50	\$ 695	\$ 347.50
08/09/2023	Lomax, Broderick	Discussion with DFIN re: Dataroom setup.	0.50	\$ 385	\$ 192.50
08/10/2023	Patel, Pritesh	Call with Bennett Jones re status of proceedings and next steps; call with N.Manzoor re VDR access and outstanding info; discussion with B.Lomax re dataroom setup and next steps.	2.00	\$ 695	\$ 1,390.00
08/10/2023	Lomax, Broderick	Review of Datatax dataroom and compile docs needed for contemplated sale process.	3.00	\$ 385	\$ 1,155.00
08/11/2023	Patel, Pritesh	Calls with debtor, Tyr re timing of NOI filing; review of materials and commence drafting of First Report.	4.00	\$ 695	\$ 2,780.00
08/11/2023	Chopowick, Annette	Emails to OSB to confirm filing division and location.	0.20	\$ 225	\$ 45.00
08/11/2023	Hung, Angelina	Update filing documents.	1.00	\$ 225	\$ 225.00
08/11/2023	Lomax, Broderick	Dataroom/PBC Review; Teaser Review; NOI Document Updates; Discussions with P.Patel and A.Hung.	3.50	\$ 385	\$ 1,347.50
08/13/2023	Patel, Pritesh	Continue review of background materials and drafting of First Report; emails with Tyr re office addresses, locality of the debtor.	8.00	\$ 695	\$ 5,560.00
08/14/2023	Patel, Pritesh	Coordinate updates to NOI filing docs, calls with Datatax on same; review Corporate profile report, emails with Tyr on same; circulate Certificate of Filing from OSB; continue drafting of First Report; review of CF forecast.	8.00	\$ 695	\$ 5,560.00
08/14/2023	Chopowick, Annette	Telephone call and email from OSB re Division for filing.	0.10	\$ 225	\$ 22.50
08/14/2023	Hung, Angelina	Update and finalize filing documents and efile.	1.50	\$ 225	\$ 337.50
08/14/2023	Lomax, Broderick	Filing NOI related tasks; internal discussions; updating website.	3.00	\$ 385	\$ 1,155.00
08/15/2023	Patel, Pritesh	Review and comments on motion materials, affidavit from debtor's counsel, and comments on same; call with Bennett Jones re review of materials and next steps; review of edits to report from B.Lomax to align with affidavit; call with Fiera counsel re Purchase Price calculation; discussion with Datatax CFO re cash flow updates; calls with N.Manzoor re CF and calculation of purchase price and preparation of pro-forma on same; continue updates and edits to First Report; finalize draft report and circulate to SE and Bennett Jones for review; review of initial comments from SE.	9.00	\$ 695	\$ 6,255.00
08/15/2023	Van Eyk, Paul	Discussion with P. Patel on draft report.	0.50	\$ 695	\$ 347.50
08/15/2023	Hung, Angelina	Finalize mailing list.	0.50	\$ 225	\$ 112.50
08/15/2023	Lomax, Broderick	Updating Trustees First Report for court submission; Discussions with Counsel re: First Report; Reviewing affidavit; updating cashflow; reviewing dataroom; updating website.	8.00	\$ 385	\$ 3,080.00
08/16/2023	Patel, Pritesh	Review of additional comments from SE on report; turn updated draft of report to Datatax and counsel for review, and incorporate comments on same; call with N.Manzoor re edits to report, purchase price calculation and CF; discussions with B.Lomax re cash flows for filing, review of Trustee's Report on same; all parties call in advance of Aug 17 hearing; follow-up call with N.Manzoor re cash flow edits; finalize report and appendices, sign for service.	7.00	\$ 695	\$ 4,865.00
08/16/2023	Van Eyk, Paul	Internal review of final draft; Internal discussions.	1.50	\$ 695	\$ 1,042.50
08/16/2023	Hung, Angelina	Finalize mailing list and Cash Flow Report forms.	1.25	\$ 225	\$ 281.25

08/16/2023	Lomax, Broderick	Review and updates to First Report; Reviewing cash flow forecast; Updating Buyers List; Updating Website; Call with N. Manzoor and P. Patel.	8.00	\$	385	\$	3,080.00
08/17/2023	Patel, Pritesh	Review of emails from parties re Court hearing; attendance at virtual hearing for SSP approval; review and edits to creditor notice; review and edits to teaser, buyer list and advertisement for G&M.	6.00	\$	695	\$	4,170.00
08/17/2023	Chopowick, Annette	Commission affidavit of mailing.	0.10	\$	225	\$	22.50
08/17/2023	Hung, Angelina	Arrange mailing of NOI package; prepare affidavit of mailing and efile on the same; efile cash flow report.	1.50	\$	225	\$	337.50
08/17/2023	Lomax, Broderick	Updating SSP Teaser; Drafting G&M Ad; Updating Website; Updating Buyers List.	7.50	\$	385	\$	2,887.50
08/18/2023	Patel, Pritesh	Review of updated teaser, call with Datatax to review same; edits to teaser email; review of NDA; emails with prospective purchaser re call on opportunity.	4.00	\$	695	\$	2,780.00
08/18/2023	Hung, Angelina	Coordinate newspaper ad with G&M. Attend to banking matters.	1.50	\$	225	\$	337.50
08/18/2023	Lomax, Broderick	Updating SSP Teaser; Updating G&M Ad/Sending for Publishing; Call with P. Patel, D. Latchford, N. Manzoor, B. Houlden, J. Wadden; Email distribution of teaser to potential buyers; Updating Website; Internal Discussions.	8.00	\$	385	\$	3,080.00
08/21/2023	Patel, Pritesh	Update call with N.Manzoor; Call with interested party re Bid Process and next steps, review of NDA on same; call with counsel re edits to NDA; review of emails from Datatax re DIP advance and repayment of Fiera interim facility; update call with counsel re DIP advances, call with interested party and next steps; calls with B.Lomax re review of VDR and updates on same.	3.50	\$	695	\$	2,432.50
08/21/2023	Van Eyk, Paul	Update call with P. Patel.	0.25	\$	695	\$	173.75
08/21/2023	Hung, Angelina	Attend to banking matters.	1.20	\$	225	\$	270.00
08/21/2023	Lomax, Broderick	Meeting with P.Patel, Trive, and Murads, re: bidding process; Dataroom review and updates; Website updates; Potential bidder outreach.	4.50	\$	385	\$	1,732.50
08/22/2023	Patel, Pritesh	Call with company re DIP, cash flows and VDR review; follow-up call with company re VDR.	1.50	\$	695	\$	1,042.50
08/22/2023	Hung, Angelina	Attend to banking matters.	2.00	\$	225	\$	450.00
08/22/2023	Lomax, Broderick	Dataroom review and updates; Website updates; Meeting with P. Patel, D. Latchford and N. Manzoor re: Fund release and dataroom; Meeting with P. Patel and D. Latchford re: Dataroom launch; DIP wire transfer set up.	4.50	\$	385	\$	1,732.50
08/23/2023	Patel, Pritesh	Call with company and counsel re Murad request for call with Ibbotson; call with counsel to Stalking Horse bidder; emails with Murads re Ibbotson note proposal; review of comments on NDA from interested party; emails with prospective purchaser re SSP.	1.50	\$	695	\$	1,042.50
08/23/2023	Lomax, Broderick	Call with KPMG, Datatax, and Counsel re: SSP process/inquiries; Correspondence with Counsel and interested party re: NDA.	3.50	\$	385	\$	1,347.50
08/24/2023	Patel, Pritesh	Call with interested party re SSP.	0.50	\$	695	\$	347.50
08/24/2023	Lomax, Broderick	Call with P.Patel and interested party re: SSP: Correspondence re: NDAs.	1.00	\$	385	\$	385.00
08/25/2023	Lomax, Broderick	Call with P.Patel and interested party re: SSP; Correspondence re: NDAs; Internal discussion re: project status update and project plan.	1.00	\$	385	\$	385.00
08/28/2023	Patel, Pritesh	Review of emails from interested parties re SSP and next steps; emails/calls with Datatax to review request from interested party, follow-up call with counsel on same.	0.75	\$	695	\$	521.25
08/28/2023	Lomax, Broderick	Correspondence with interested party re: SSP; Internal discussions with P.Patel; Call with KPMG, BJ, Datatax, and Tyr.	1.50	\$	385	\$	577.50
08/29/2023	Patel, Pritesh	Update call with counsel and review of proposed email to Datatax; call with interested party re Bidding Procedures and next steps.	0.50	\$	695	\$	347.50
08/29/2023	Lomax, Broderick	Call with P.Patel and interested party re: company background and bidding process; Following up with potential bidders; Replacing bounced back outreaches with new contacts; Updating buyer list; Cash flow review; updates to variance reporting for filing cash flow; Email correspondence with D.Latchford.	3.50	\$	385	\$	1,347.50
08/30/2023	Patel, Pritesh	Update call with counsel re response to questions from interested party; call with B.Lomax re CF reporting; drafting email response to interested party.	1.00	\$	695	\$	695.00
08/30/2023	Lomax, Broderick	Review of company performance; Addressing bidder inquiries; Call and email correspondence with D.Latchford; Internal discussions; Sending teaser and NDA to updated bidders.	2.00	\$	385	\$	770.00
08/31/2023	Patel, Pritesh	Review of email from Murads re SSP; call with counsel on same; call with N.Manzoor re SSP; update call with Fiera re SSP.	1.00	\$	695	\$	695.00
09/01/2023	Patel, Pritesh	Call with Datatax re bidder request re Ibbotson note; drafting of response on same; review of analysis from Datatax re EBTIDA trends and upload same to VDR.	1.00	\$	695	\$	695.00
09/06/2023	Patel, Pritesh	Review of cash flow reporting; discussion with B.Lomax re SSP.	0.50	\$	695	\$	347.50
09/06/2023	Lomax, Broderick	Dataroom updates; Buyer list updates; NDA review; Cash flow review; call with P.Patel.	2.00	\$	385	\$	770.00
09/07/2023	Patel, Pritesh	Review of Bid received; discussion with B.Lomax re SSP update; email to DIP Lender re release of second tranche.	0.75	\$	695	\$	521.25
09/07/2023	Hung, Angelina	Attend to banking matter.	0.60	\$	225	\$	135.00

09/07/2023	Lomax, Broderick	Correspondence with N. Manzoor re: NDAs; Correspondence with D. Latchford re: Cash Flow; Updated Buyer List; Providing VDR access to potential bidder.	1.50	\$	385	\$	577.50
09/08/2023	Patel, Pritesh	Call with counsel on Bid received; email response to Bidder; update call with N.Manzoor re SSP; approve wire for DIP draw request; review current SSP buyer list.	1.50	\$	695	\$	1,042.50
09/08/2023	Hung, Angelina	Attend to banking matter.	0.25	\$	225	\$	56.25
09/11/2023	Patel, Pritesh	Update call with Murads re SSP and Bidding Procedures; review of NDA received, comment on same.	1.50	\$	695	\$	1,042.50
09/11/2023	Lomax, Broderick	Review of NDA received, email to P.Patel on same.	0.20	\$	385	\$	77.00
09/13/2023	Patel, Pritesh	Review of email from B.Lomax re cash flow reporting.	0.25	\$	695	\$	173.75
09/13/2023	Lomax, Broderick	Weekly cash flow review; summary email to P.Patel on same.	1.00	\$	385	\$	385.00
09/14/2023	Patel, Pritesh	Call with interested party re SSP and next steps; update call with N.Manzoor.	1.00	\$	695	\$	695.00
09/14/2023	Lomax, Broderick	Call with P. Patel and interested party re: SSP.	0.50	\$	385	\$	192.50
09/15/2023	Patel, Pritesh	Review of claim from CRA; review of email from N.Manzoor; update call with interested party re SSP.	1.50	\$	695	\$	1,042.50
09/15/2023	Lomax, Broderick	Call with P. Patel and interested party re: SSP; Review of CRA Claim; Internal discussions re: CRA claim.	1.25	\$	385	\$	481.25
09/19/2023	Patel, Pritesh	Update call with N.Manzoor; email with Datatax re cash flow reporting.	1.00	\$	695	\$	695.00
09/19/2023	Lomax, Broderick	Weekly cashflow review.	1.00	\$	385	\$	385.00
09/20/2023	Patel, Pritesh	Update call with counsel; correspondence with Datatax re security docs, SSP; update call with Fiera re SSP.	1.50	\$	695	\$	1,042.50
09/20/2023	Hung, Angelina	Attend to banking matter.	0.75	\$	225	\$	168.75
09/20/2023	Lomax, Broderick	Coordinate wire for DIP advance.	0.20	\$	385	\$	77.00
09/21/2023	Patel, Pritesh	Review of emails from Purchaser counsel, correspondence with N.Manzoor on same.	0.75	\$	695	\$	521.25
09/22/2023	Patel, Pritesh	Review of emails from Datatax re cash flow; commence drafting of Second Report; update call with Tyr on next steps.	3.00	\$	695	\$	2,085.00
09/25/2023	Patel, Pritesh	Call with counsel and Datatax re SSP update and next steps.	1.00	\$	695	\$	695.00
09/25/2023	Lomax, Broderick	Follow up correspondence with potential bidder; update to P.Patel on same.	0.50	\$	385	\$	192.50
09/26/2023	Patel, Pritesh	Update call with N.Manzoor re DIP, proposed APA amendment; call with counsel to Fiera re status of SSP and next steps.	2.00	\$	695	\$	1,390.00
09/27/2023	Patel, Pritesh	Call with counsel re response to interested party; continue drafting of Second Report.	8.00	\$	695	\$	5,560.00
09/28/2023	Patel, Pritesh	Continue drafting of Second Report; review of email from B.Lomax re cash flow, email to Datatax on same.	8.00	\$	695	\$	5,560.00
09/28/2023	Lomax, Broderick	Review of company weekly cash flow.	1.00	\$	385	\$	385.00
09/29/2023	Patel, Pritesh	Call with counsel re SSP results; email update to Fiera on same; review of emails from Datatax re cash flow, DIP draw; calls/emails with Datatax re SSP; continue drafting of Second Report.	8.00	\$	695	\$	5,560.00
<b>Subtotal</b>			<b>203.25</b>	<b>\$</b>	<b>110,207.75</b>	<b>\$</b>	

This is Exhibit "C" referred to in the Affidavit of Pritesh Patel,

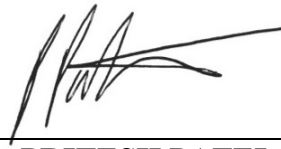
SWORN BEFORE ME over )  
videoconference on this 5<sup>th</sup> day of October, )  
2023. The affiant was located in the City of )  
Toronto, in the Province of Ontario and the )  
Commissioner was located in the City of )  
Toronto, in the Province of Ontario. This )  
affidavit was commissioned remotely as a )  
result of COVID-19 and the declaration was )  
administered in accordance with Ontario )  
*Regulation 431/20.* )



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**AIDEN NELMS**

A Commissioner for Oaths in and for the  
Province of Ontario



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**PRITESH PATEL**

**KPMG Inc.**  
**in its capacity as Proposal Trustee of**  
**Datatax Business Services Limited**  
**Statement of accounts**

<b>Staff member</b>	<b>Number of hours</b>	<b>Hourly rate</b>	<b>Amount</b>
<b>Senior Vice President</b>			
Pritesh Patel	107.50	\$ 695.00	\$ 74,712.50
Paul Van Eyk	3.25	\$ 695.00	\$ 2,258.75
<b>Senior Associate</b>			
Broderick Lomax	77.65	\$ 385.00	\$ 29,895.25
<b>Staff Technician</b>			
Angelina Hung	14.25	\$ 225.00	\$ 3,206.25
Annette Chopowick	0.60	\$ 225.00	\$ 135.00
<b>Total</b>	<b>203.25</b>		<b>\$ 110,207.75</b>

**Blended average hourly rate: \$ 542.23**

## **APPENDIX "F"**



**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**IN BANKRUPTCY AND INSOLVENCY**  
**(COMMERCIAL LIST)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL  
UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS  
AMENDED, OF DATATAX BUSINESS SERVICES LIMITED, A CORPORATION  
FORMED UNDER THE LAWS OF ONTARIO**

**AFFIDAVIT OF AIDEN NELMS**  
**(sworn October 4, 2023)**

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

1. I am a lawyer qualified to practice law in the Province of Ontario and am an associate at Bennett Jones LLP ("**Bennett Jones**"), counsel for KPMG Inc. ("**KPMG**") in its capacity as proposal trustee (in such capacity, the "**Proposal Trustee**") in these proceedings and as such have knowledge of the matters hereinafter deposed. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.
2. I make this affidavit in support of a motion by Datatax Business Services Limited ("**Datatax**") for, among other things, approval of the fees and disbursements of the Proposal Trustee and its counsel.
3. Attached hereto as Exhibit "A" are true copies of the accounts rendered by Bennett Jones counsel to the Proposal for the period between August 10, 2023 and September 30, 2023. The

accounts have been redacted to address matters of confidentiality or privilege. I confirm that these accounts accurately reflect the services provided by Bennett Jones in this matter for this period and the fees and disbursements claimed by it for the period.

4. Attached hereto as Exhibit "B" is a schedule summarizing the accounts of Bennett Jones rendered to the Proposal Trustee for the fees and disbursements incurred by Bennett Jones in connection with these proceedings for the period between August 10, 2023 and September 30, 2023.

5. Attached hereto as Exhibit "C" is a schedule summarizing the respective years of call and billing rates of each of the professionals at Bennett Jones that rendered services to the Proposal Trustee, the hours worked by each such individual and the blended hourly rate for the file.

6. I understand that Pritesh Patel, a Senior Vice President of KPMG, is swearing a concurrent affidavit seeking the approval of the fees and disbursements of the Proposal Trustee (the "**Pritesh Affidavit**"). I also understand that the Pritesh Affidavit, in addition to seeking the approval of the fees and disbursements of the Proposal Trustee to date, seeks approval of the Remaining Fees and Disbursements for any fees and disbursements to be incurred by the Proposal Trustee and its counsel, Bennett Jones, for the period between October 1, 2023 to the date upon which the Proposal Trustee files the Termination Certificate (as such terms are defined in the Pritesh Affidavit).

7. To the best of my knowledge, the rates charged by Bennett Jones throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market

for the provision of similar services. I believe that the total hours, fees and disbursements incurred to date by Bennett Jones on this matter are reasonable and appropriate in the circumstances.

SWORN BEFORE ME over )  
videoconference on this 4<sup>th</sup> day of October, )  
2023. The affiant was located in the City of )  
Toronto, in the Province of Ontario and the )  
Commissioner was located in the City of )  
Toronto, in the Province of Ontario. This )  
affidavit was commissioned remotely as a )  
result of COVID-19 and the declaration was )  
administered in accordance with Ontario )  
*Regulation 431/20.* )



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**THOMAS GRAY**

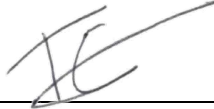
A Commissioner for Oaths in and for the  
Province of Ontario



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**AIDEN NELMS**

**THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF AIDEN NELMS  
SWORN  
THE 4<sup>th</sup> DAY OF OCTOBER 2023**

A handwritten signature in black ink, consisting of stylized initials that appear to be 'JE' with a long horizontal stroke extending to the right.

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**A Commissioner for taking affidavits, etc.**



Bennett Jones

Bennett Jones LLP  
Suite 3400  
1 First Canadian Place  
P.O. Box 130  
Toronto, Ontario M5X 1A4

KPMG LLP  
Bay Adelaide Centre, Suite 4600  
333 Bay Street  
Toronto, ON M5H 2S5

**Attention: Paul van Eyk  
Partner**

Re: Datatax Business Services Limited  
Our File Number: 092467.00006

Date: September 7, 2023  
Invoice: 1530752

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**PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:**

Professional Services	\$	68,707.50
Less 15.00% Discount	\$	(10,306.13)
Total Professional Services	\$	<u>58,401.37</u>
Disbursements	\$	8,722.44
Total Due before Tax	\$	<u>67,123.81</u>
GST/HST	\$	8,726.10
<b>Total Due in CAD</b>	<b>\$</b>	<b><u>75,849.91</u></b>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at [www.bennettjones.com](http://www.bennettjones.com). GST/HST number: 119346757 QST number: 1230818653



<b>Date</b>	<b>Name</b>	<b>Description</b>	<b>Hours</b>		<b>Amount</b>
10/08/23	Aiden Nelms	Reading and responding to file related emails; Initial file intake phone call with R. Sahni; Discussions with D. Sorbara regarding security review and opinion; Coordinating same; Reviewing and considering loan and security documents	0.90	\$	670.50
10/08/23	Dom Sorbara	Discussing security review and opinion with A. Nelms and F. Kawar	0.30	\$	258.00
10/08/23	Raj Sahni	Teams meeting with KPMG (P. Patel) regarding proposed NOI filing and stalking horse process; Considering issues relating to proposal trustee's role in stalking horse process; Emails with KPMG; Emails with L. Pillon; Emails and discussions with A. Nelms regarding issues and preparation for court process and security review	2.30	\$	2,587.50
14/08/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering Loan and Security Documents; Coordinating high-level review with M. Pivetta; Phone calls regarding same	1.70	\$	1,266.50
14/08/23	Max Pivetta	Reviewing and summarizing loan and security documents	3.90	\$	1,287.00
15/08/23	Max Pivetta	Reviewing and summarizing loan and security documents	7.00	\$	2,310.00
15/08/23	Aiden Nelms	Reading and responding to file related emails; Phone calls with P. Patel throughout the day; Phone call with R. Sahni; Meeting with M. Pivetta regarding loan and security document review; Reviewing and commenting on draft Order throughout the day; Reviewing and commenting on draft Notice of Motion throughout the day; Reviewing and considering affidavit; Phone call with J. Wadden regarding relief being sought; Reviewing and commenting on draft Report	8.10	\$	6,034.50



<b>Date</b>	<b>Name</b>	<b>Description</b>	<b>Hours</b>		<b>Amount</b>
15/08/23	Dom Sorbara	Corresponding with F. Kavar re: security review	0.30	\$	258.00
15/08/23	Raj Sahni	Emails and discussion with A. Nelms regarding NOI and sales process issues; Reviewing draft order	0.70	\$	787.50
16/08/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and commenting on draft Factum; Reviewing and commenting on draft First Report; Phone call with R. Sahni and P. Patel regarding upcoming hearing and general status; Video conference with, among others, counsel to the Debtor; Reviewing and finalizing First Report; Drafting and revising note to service list in connection with same; Coordinating upload to CaseLines; Drafting and revising affidavit of service; Coordinating filing of materials; Reviewing and considering materials and preparing for upcoming hearing	8.20	\$	6,109.00
16/08/23	Fatima Kavar	Conducting due diligence on debt documents; Preparing summary of debt review; Instructing J. Sergievksaya to run searches on borrower and guarantors	3.80	\$	2,394.00
16/08/23	Jane Sergievskaya	Reviewing instructions with respect to required searches; Conducting NUANS searches; Email correspondence	0.50	\$	237.50
16/08/23	Raj Sahni	Reviewing motion materials for August 17 hearing; Reviewing and commenting on draft Trustee's report; Emails and discussions with A. Nelms regarding same; Teams meeting with KPMG (P. Patel) and A. Nelms regarding preparation for court hearing	2.50	\$	2,812.50
17/08/23	Aiden Nelms	Reading and responding to file related emails; Preparing for upcoming Court hearing; Reviewing and considering materials in connection with same; Attending	6.60	\$	4,917.00

<b>Date</b>	<b>Name</b>	<b>Description</b>	<b>Hours</b>		<b>Amount</b>
		Court hearing; Drafting and revising form of SSP NDA throughout the day; Reviewing and commenting on draft SSP materials throughout the day; Reviewing and considering endorsement; Phone calls with P. Patel throughout the day			
17/08/23	Fatima Kawar	Discussion with D. Sorbara regarding searches and instructing J. Sergievskaya accordingly; Email exchanges with A. Nelms regarding searches and pledged shares; Continuing to review security documents; Drafting security opinion; Drafting list of missing items for review	5.00	\$	3,150.00
17/08/23	Jane Sergievskaya	Ordering corporate and security searches; Reviewing corporate searches; Preparing chart of prior names; Email correspondence	3.20	\$	1,520.00
17/08/23	Jamie Ernst	Proofing Datatax's non-disclosure agreement; Email to A. Nelms	1.40	\$	462.00
17/08/23	Dom Sorbara	Discussing security review with F. Kawar	0.30	\$	258.00
17/08/23	Raj Sahni	Call with KPMG (P. van Eyk) prior to court hearing regarding issues and strategy; Emails and discussions with A. Nelms prior to and after court hearing	1.60	\$	1,800.00
18/08/23	Fatima Kawar	Reviewing security opinion and circulating to D. Sorbara for review; Revising security opinion as per D. Sorbara's comments; Instruction J. Sergievksya to prepare attachments; Reviewing searches and updating opinion accordingly	4.10	\$	2,583.00
18/08/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering draft SSP materials; Finalizing form of NDA; Phone calls with P. Patel	1.60	\$	1,192.00
18/08/23	Jane Sergievskaya	Reviewing and summarizing search results	8.00	\$	3,800.00





September 7, 2023  
Page 5

Client:  
Invoice No.:

092467.00006  
1530752

Date	Name	Description	Hours		Amount
18/08/23	Dom Sorbara	Discussing draft security opinion with F. Kawar; Reviewing and revising draft security opinion and corresponding with F. Kawar re: same	2.80	\$	2,408.00
21/08/23	Jane Sergievskaya	Conducting, reviewing and summarizing CIPO searches	2.00	\$	950.00
21/08/23	Fatima Kawar	Reviewing additional searches provided by J. Sergievskaya and updated security opinion; Telephone calls with D. Sorbara and A. Nelms and updating accordingly	3.40	\$	2,142.00
21/08/23	Jane Sergievskaya	Reviewing and summarizing search results; Reviewing registration section of the opinion letter; Drafting and compiling search and registration schedules to the opinion letter; Email correspondence	3.80	\$	1,805.00
21/08/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering [REDACTED] of the NDA; Revising same; Phone calls with P. Patel throughout the day; Reviewing and considering Stalking Horse APA and DIP provisions following same; Discussions with R. Sahni; Phone call with F. Kawar regarding security opinion; Considering issues in connection with same	3.20	\$	2,384.00
21/08/23	Dom Sorbara	Reviewing revised draft security opinion and corresponding with F. Kawar re: same; Discussing IP security with F. Kawar	0.80	\$	688.00
22/08/23	Jane Sergievskaya	Email correspondence	0.10	\$	47.50
22/08/23	Aiden Nelms	Reading and responding to file related emails; Phone call with P. Patel; Reviewing and commenting on revised form of NDA from potential bidder; Considering the company's comments on same; Further revising same; Dealing with	3.20	\$	2,384.00

Date	Name	Description	Hours	Amount
		issues related to ██████ markup; Coordinating further markups of same; Conferring with company's counsel; Considering issues in connection with ██████ request; Conferring with KPMG in connection with same		
23/08/23	Aiden Nelms	Reading and responding to file related emails; Drafting and revising SSP NDA's throughout the day; Preparing for video conference call with the Proposal Trustee, Company counsel and the Company; Participating in same; Phone call with P. Patel;	3.30 \$	2,458.50
23/08/23	Jane Sergievskaya	Reviewing final search results; Updating search summaries; Email correspondence	0.40 \$	190.00
24/08/23	Aiden Nelms	Reading and responding to file related emails; Internal discussions regarding file; Phone call with P. Patel regarding SSP and NDAs; Further revising certain NDAs and coordinating blacklines; Reviewing and considering teaser	2.10 \$	1,564.50
25/08/23	Fatima Kawar	Preparing schedules to security opinion; Telephone call with D. Sorbara regarding same	0.30 \$	189.00
25/08/23	Aiden Nelms	Reading and responding to file related emails; Phone call with P. Patel	0.60 \$	447.00
25/08/23	Dom Sorbara	Discussing draft security opinion with F. Kawar; Reviewing correspondence with F. Kawar re: draft security opinion	0.30 \$	258.00
28/08/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering ██████; Preparing for call with KPMG, the Company and its counsel regarding same; Phone call with KPMG regarding same	0.90 \$	670.50
29/08/23	Aiden Nelms	Reading and responding to file	1.60 \$	1,192.00

Date	Name	Description	Hours	Amount
		related emails; Discussions with R. Sahni; Phone call with P. Patel; Reviewing and considering notes from call with Proposal Trustee and Company regarding [REDACTED]; Drafting and revising note to Company and counsel regarding proposed approach on Trive proposal		
30/08/23	Aiden Nelms	Reading and responding to file related emails; Dealing with issues related to response to [REDACTED]; Phone call with J. Wadden regarding same; Phone call with P. Patel regarding same; Reviewing and considering proposed response to [REDACTED] Discussions with R. Sahni	1.60	\$ 1,192.00
31/08/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering email from [REDACTED]; Discussions with R. Sahni regarding same; Phone call with P. Patel regarding same; Preparing for and participating in conference call with R. Sahni and P. Patel regarding same	1.40	\$ 1,043.00
			Total Hours	103.80
			Professional Services	\$ 68,707.50
			Less 15.00% Discount	\$ (10,306.13)
			Total Professional Services	\$ 58,401.37

Name	Title	Worked Hours	Billed Hours	Amount Worked	Amount Billed
Raj Sahni	Partner	7.10	7.10	\$ 7,987.50	\$ 6,789.36
Dom Sorbara	Partner	4.80	4.80	\$ 4,128.00	\$ 3,508.80
Aiden Nelms	Associate	45.00	45.00	\$ 33,525.00	\$ 28,496.27
Fatima Kawar	Associate	16.60	16.60	\$ 10,458.00	\$ 8,889.30
Jamie Ernst	Student	1.40	1.40	\$ 462.00	\$ 392.70
Max Pivetta	Student	10.90	10.90	\$ 3,597.00	\$ 3,057.45
Jane Sergievskaya	Paralegal	18.00	18.00	\$ 8,550.00	\$ 7,267.49

Disbursements	Amount
Online Government Service	\$ 8,722.44



<b>Disbursements</b>		<b>Amount</b>
Total Disbursements	\$	8,722.44
GST/HST	\$	8,726.10
TOTAL DUE	\$	<u>75,849.91</u>



Bennett Jones

KPMG LLP  
Bay Adelaide Centre, Suite 4600  
333 Bay Street  
Toronto, ON M5H 2S5

**Attention: Paul van Eyk  
Partner**

Re: Datatax Business Services Limited  
Our File Number: 092467.00006

Date: September 7, 2023  
Invoice: 1530752

---

**Remittance Statement**

Professional Services	\$	68,707.50
Less 15.00% Discount	\$	(10,306.13)
Total Professional Services	\$	<u>58,401.37</u>
Disbursements	\$	8,722.44
Total Due before Tax	\$	<u>67,123.81</u>
GST/HST	\$	8,726.10
<b>Total Due in CAD</b>	<b>\$</b>	<b><u>75,849.91</u></b>



September 7, 2023  
Page 2

Client:  
Invoice No.:

092467.00006  
1530752

**Remit by Wire Transfer**

**Beneficiary Name:** Bennett Jones LLP  
**Beneficiary Address:** 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada  
**Beneficiary Bank:** Royal Bank of Canada  
**Bank Address:** 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada  
**Account Details:** Bank Code: 003, Branch/Transit 00009,  
CAD Acct 000091725811 [5 digit transit no + 7 digit account no]  
USD Acct 000094005534 [5 digit transit no + 7 digit account no]  
SWIFT Code: ROYCCAT2

***When wiring funds from the USA***

<b>Intermediary Bank</b>	JP Morgan Chase Bank New York
<b>Intermediary Swift Code</b>	CHASUS33
<b>Intermediary ABA Routing Code</b>	021000021

Wire notifications can be emailed to: [bennettjoneseft@bennettjones.com](mailto:bennettjoneseft@bennettjones.com)  
\*For ease of processing, please include the invoice(s) number in the Details section\*

**Remit By Interac e-Transfer**

Email: [bennettjoneseft@bennettjones.com](mailto:bennettjoneseft@bennettjones.com)  
\*For ease of processing, please include the invoice(s) number in the Message Field\*  
Note: e-transfers are CAD only and are subject to daily limits set by the sender's bank

**Remit By Visa/Mastercard/American Express**

To make a payment through our secured credit card payment portal go to: <https://www.bennettjones.com/Payments>

**Remit by Cheque**

Bennett Jones LLP  
4500, 855 2 Street SW  
Calgary, AB T2P 4K7

For AR inquires please email [AR@bennettjones.com](mailto:AR@bennettjones.com)



Bennett Jones

Bennett Jones LLP  
Suite 3400  
1 First Canadian Place  
P.O. Box 130  
Toronto, Ontario M5X 1A4

KPMG LLP  
Bay Adelaide Centre, Suite 4600  
333 Bay Street  
Toronto, ON M5H 2S5

**Attention: Paul van Eyk  
Partner**

Re: Datatax Business Services Limited  
Our File Number: 092467.00006

Date: October 3, 2023  
Invoice: 1535026

---

**PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:**

Professional Services	\$	21,712.50
Less 15.00% Discount	\$	(3,256.88)
Total Professional Services	\$	<u>18,455.62</u>
Disbursements	\$	425.50
Total Due before Tax	\$	<u>18,881.12</u>
GST/HST	\$	2,454.55
<b>Total Due in CAD</b>	<b>\$</b>	<b><u>21,335.67</u></b>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at [www.bennettjones.com](http://www.bennettjones.com). GST/HST number: 119346757 QST number: 1230818653



Date	Name	Description	Hours		Amount
01/09/23	Aiden Nelms	Reading and responding to file related emails; Preparing for and participating in all hands video conference regarding [REDACTED] Phone call with P. Patel regarding same	0.90	\$	670.50
05/09/23	Aiden Nelms	Reading and responding to file related emails	0.30	\$	223.50
06/09/23	Aiden Nelms	Reading and responding to file related emails; Dealing with certain [REDACTED] throughout the day; Discussions with R. Sahni	0.70	\$	521.50
06/09/23	Raj Sahni	Reviewing emails; Meeting with A. Nelms regarding Datatax matter	0.50	\$	562.50
07/09/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering [REDACTED]; Discussions with R. Sahni regarding same; Reviewing and considering SSP correspondence	0.80	\$	596.00
07/09/23	Raj Sahni	Discussions with A. Nelms regarding status and [REDACTED] on Datatax matter	0.30	\$	337.50
08/09/23	Aiden Nelms	Reading and responding to file related emails; Drafting and revising correspondence to [REDACTED] [REDACTED]; Discussions with internal working group regarding same; Dealing with file related issues throughout the day	1.50	\$	1,117.50
11/09/23	Aiden Nelms	Reading and responding to file related emails	0.30	\$	223.50
12/09/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering potential Bid and related enclosures; Commenting on draft response cover note; Phone call with P. Pritesh	1.40	\$	1,043.00





Date	Name	Description	Hours		Amount
14/09/23	Aiden Nelms	Reading and responding to file related emails; Discussions with R. Sahni	0.50	\$	372.50
14/09/23	Raj Sahni	Meetings with A. Nelms to discuss [REDACTED] Datatax matter	0.40	\$	450.00
18/09/23	Aiden Nelms	Reading and responding to file related emails	0.30	\$	223.50
19/09/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering revised transaction proposal	0.40	\$	298.00
20/09/23	Fatima Kawar	Reviewing additional documents provided by A. Nelms and updating debt overview and security opinion accordingly; Circulating to D. Sorbara and A. Nelms for review	1.80	\$	1,134.00
20/09/23	Aiden Nelms	Reading and responding to file related emails; Discussions with R. Sahni regarding [REDACTED]; Phone call with P. Patel regarding same; Dealing with [REDACTED]	0.90	\$	670.50
20/09/23	Dom Sorbara	Reviewing revised draft legal opinion and corresponding with F. Kawar re: same	0.50	\$	430.00
20/09/23	Raj Sahni	Meetings with A. Nelms regarding Datatax [REDACTED]	0.50	\$	562.50
22/09/23	Aiden Nelms	Reading and responding to file related emails; Phone call with P. Patel regarding [REDACTED]; Reviewing and considering correspondence in connection with same	0.80	\$	596.00
25/09/23	Fatima Kawar	Finalizing security opinion and email to D. Sorbara regarding same; Circulating final opinion to A. Nelms	0.40	\$	252.00
25/09/23	Aiden Nelms	Reading and responding to file related emails; Preparing for upcoming all hands meeting; Participating in meeting in connection with Bid Deadline,	1.40	\$	1,043.00

Date	Name	Description	Hours	Amount
		upcoming hearing and next steps; Phone call with P. Pritesh regarding same		
26/09/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering initial motion materials in connection with BMO facility; Reviewing and considering relevant documents; Drafting and revising correspondence to counsel to BMO in connection with information request	0.70 \$	521.50
27/09/23	Fatima Kawar	Email exchanges with A. Nelms regarding security opinion regarding BMO; Reviewing existing BMO loan agreement and security	0.40 \$	252.00
27/09/23	Aiden Nelms	Reading and responding to file related emails; Reviewing and considering SSP in light of inquiry from prospective bidder; Reviewing and considering correspondence in connection with same; Reviewing and considering proposed response to correspondence; Preparing for and participating in call with P. Patel regarding same	1.60 \$	1,192.00
28/09/23	Fatima Kawar	Continuing to review existing loan and security with BMO; Drafting security opinion; Telephone call with J. Sergievskaya regarding PPSA registration summaries; Discussions with A. Nelms regarding security opinion	2.80 \$	1,764.00
28/09/23	Jane Sergievskaya	Discussion with F. Kawar with respect to security review opinion; Reviewing existing search results; Ordering updated PPSA searches; Ordering and reviewing updated corporate searches; Reviewing and summarizing PPSA searches; Updating registration information in the draft opinion letter;	3.50 \$	1,662.50
28/09/23	Aiden Nelms	Reading and responding to file related emails; Further reviewing and considering BMO Letter of	1.50 \$	1,117.50

Date	Name	Description	Hours	Amount
		Agreement; Dealing with [REDACTED] [REDACTED] Discussions with internal financial services team in connection with BMO opinion		
29/09/23	Jane Sergievskaya	Reviewing PPSA searches; Updating PPSA summaries; Revising draft opinion letter (registration details); Compiling schedules to opinion letter; Email correspondence	1.90	\$ 902.50
29/09/23	Fatima Kwar	Reviewing corporate guarantees and personal guarantee; Continuing to draft security opinion; Incorporation PPSA summaries provided by J. Sergievskaya; Reviewing schedules; Circulating draft to D. Sorbara for review	3.60	\$ 2,268.00
29/09/23	Dom Sorbara	Discussing legal opinion and PPSA searches with F. Kwar	0.30	\$ 258.00
29/09/23	Aiden Nelms	Reading and responding to file related emails; Phone call with P. Patel regarding Bid Deadline and next steps	0.60	\$ 447.00
			Total Hours	31.50
			Professional Services	\$ 21,712.50
			Less 15.00% Discount	\$ (3,256.88)
			Total Professional Services	\$ 18,455.62

Name	Title	Worked Hours	Billed Hours	Amount Worked	Amount Billed
Raj Sahni	Partner	1.70	1.70	\$ 1,912.50	\$ 1,625.68
Dom Sorbara	Partner	0.80	0.80	\$ 688.00	\$ 584.80
Aiden Nelms	Associate	14.60	14.60	\$ 10,877.00	\$ 9,245.40
Fatima Kwar	Associate	9.00	9.00	\$ 5,670.00	\$ 4,819.50
Jane Sergievskaya	Paralegal	5.40	5.40	\$ 2,565.00	\$ 2,180.24

Disbursements	Amount
Online Government Service	\$ 425.50
Total Disbursements	\$ 425.50



October 3, 2023  
Page 6

Client: 092467.00006  
Invoice No.: 1535026

GST/HST	\$	2,454.55
TOTAL DUE	\$	<u>21,335.67</u>



Bennett Jones

KPMG LLP  
Bay Adelaide Centre, Suite 4600  
333 Bay Street  
Toronto, ON M5H 2S5

**Attention: Paul van Eyk  
Partner**

Re: Datatax Business Services Limited  
Our File Number: 092467.00006

Date: October 3, 2023  
Invoice: 1535026

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**Remittance Statement**

Professional Services	\$	21,712.50
Less 15.00% Discount	\$	(3,256.88)
Total Professional Services	\$	18,455.62
Disbursements	\$	425.50
Total Due before Tax	\$	18,881.12
GST/HST	\$	2,454.55
<b>Total Due in CAD</b>	<b>\$</b>	<b>21,335.67</b>



October 3, 2023  
Page 2

Client:  
Invoice No.:

092467.00006  
1535026

**Remit by Wire Transfer**

**Beneficiary Name:** Bennett Jones LLP  
**Beneficiary Address:** 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada  
**Beneficiary Bank:** Royal Bank of Canada  
**Bank Address:** 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada  
**Account Details:** Bank Code: 003, Branch/Transit 00009,  
CAD Acct 000091725811 [5 digit transit no + 7 digit account no]  
USD Acct 000094005534 [5 digit transit no + 7 digit account no]  
SWIFT Code: ROYCCAT2

***When wiring funds from the USA***

**Intermediary Bank** JP Morgan Chase Bank New York  
**Intermediary Swift Code** CHASUS33  
**Intermediary ABA Routing Code** 021000021

Wire notifications can be emailed to: [bennettjoneseft@bennettjones.com](mailto:bennettjoneseft@bennettjones.com)  
\*For ease of processing, please include the invoice(s) number in the Details section\*

**Remit By Interac e-Transfer**

Email: [bennettjoneseft@bennettjones.com](mailto:bennettjoneseft@bennettjones.com)  
\*For ease of processing, please include the invoice(s) number in the Message Field\*  
Note: e-transfers are CAD only and are subject to daily limits set by the sender's bank

**Remit By Visa/Mastercard/American Express**

To make a payment through our secured credit card payment portal go to: <https://www.bennettjones.com/Payments>

**Remit by Cheque**

Bennett Jones LLP  
4500, 855 2 Street SW  
Calgary, AB T2P 4K7

For AR inquires please email [AR@bennettjones.com](mailto:AR@bennettjones.com)

**THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF AIDEN NELMS  
SWORN  
THE 4<sup>th</sup> DAY OF OCTOBER 2023**

A handwritten signature in black ink, consisting of stylized initials 'JE' followed by a long horizontal stroke extending to the right.

---

**A Commissioner for taking affidavits, etc.**

## Exhibit "B"

Invoice #	Period Ending	Date of Account	Fees	Expenses/ Disbursements	GST/HST	Total
1530752	31-Aug-23	7-Sep-23	\$ 58,401.37	\$ 8,722.44	\$ 8,726.10	\$ 75,849.91
1535026	30-Sep-23	3-Oct-23	\$ 18,455.62	\$ 425.50	\$ 2,454.55	\$ 21,335.67
<b>TOTAL</b>			<b>\$ 76,856.99</b>	<b>\$ 9,147.94</b>	<b>\$ 11,180.65</b>	<b>\$ 97,185.58</b>



**THIS IS EXHIBIT "C" REFERRED TO IN THE  
AFFIDAVIT OF AIDEN NELMS  
SWORN  
THE 4<sup>th</sup> DAY OF OCTOBER 2023**

A handwritten signature in black ink, appearing to be the initials 'JC' with a long horizontal stroke extending to the right.

---

**A Commissioner for taking affidavits, etc.**

**Exhibit "C"**

<b>Timekeeper</b>	<b>Year of Call (if applicable)</b>	<b>Hourly Rate</b>	<b>Total Time</b>	<b>Fees</b>
Raj Sahni	2000	\$ 956.25	8.8	\$ 8,415.00
Dom Sorbara	2014	\$ 731.00	5.6	\$ 4,093.60
Aiden Nelms	2018	\$ 633.25	59.6	\$ 37,741.70
Fatima Kwar	2020	\$ 535.50	25.6	\$ 13,708.80
Jane Sergievskaya	N/A	\$ 403.75	23.4	\$ 9,447.74
Jamie Ernst	Articling Student	\$ 280.50	1.4	\$ 392.70
Max Pivetta	Articling Student	\$ 280.50	10.9	\$ 3,057.45
<b>TOTAL</b>		<b>Total Hours:</b>	<b>135.3</b>	<b>\$ 76,856.99</b>

<p><b>Blended Rate</b>  (excluding expenses and HST)  \$76,856.99 ÷ 135.3 hours =</p>	<p><b>\$568.05</b></p>
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**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF DATATAX BUSINESS SERVICES LIMITED, A CORPORATION FORMED UNDER THE LAWS OF ONTARIO**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY  
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**FEE AFFIDAVIT OF AIDEN NELMS**

**BENNETT JONES LLP**  
3400 One First Canadian Place  
P.O. Box 130 Toronto, ON M5X 1A4

**Raj Sahni LSO# 42942U**  
Tel: 416-777-4804  
Email: [sahnir@bennettjones.com](mailto:sahnir@bennettjones.com)

**Aiden Nelms LSO# 74170S**  
Tel: 416-777-4642  
Email: [nelmsa@bennettjones.com](mailto:nelmsa@bennettjones.com)

Lawyers for KPMG Inc., solely in its capacity as proposal trustee and not in its personal capacity

# **CONFIDENTIAL APPENDICES**

# **CONFIDENTIAL APPENDIX "1"**

**Filed with Court on a  
Sealed and Confidential Basis**

## **CONFIDENTIAL APPENDIX "2"**

**Filed with Court on a Sealed and  
Confidential Basis**



**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, c. B-3, AS AMENDED OF DATATAX BUSINESS SERVICES LIMITED, A CORPORATION FORMED UNDER THE  
LAWS OF ONTARIO**

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

**Proceeding commenced at Toronto**

**SECOND REPORT OF THE PROPOSAL TRUSTEE**

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