

ONTARIO  
SUPERIOR COURT OF JUSTICE

B E T W E E N :

ECOHOME FINANCIAL INC.

Plaintiff

- and -

UTILECREDIT CORP. and JOHN NASSAR

Defendants

---

**RESPONDING MOTION RECORD**

---

June 3, 2020

**CHAND SNIDER<sup>LLP</sup>**  
330 Bay Street, Suite 500  
Toronto ON M5H 2S8

**Pradeep Chand**  
**LSO No. 48983M**  
[pchand@chandsnider.com](mailto:pchand@chandsnider.com)

**Murray Snider**  
**LSO No. 64990L**  
[msnider@chandsnider.com](mailto:msnider@chandsnider.com)

Tel: 416.583.2377  
Fax: 416.583.1844

Lawyers for the Defendants,  
**UTILECREDIT CORP. and JOHN NASSAR**

TO: **GOODMANS LLP**  
Barristers & Solicitors  
333 Bay Street, Suite 3400  
Toronto ON M5H 2S7

**Jason Wadden**  
LSO No. 46757M  
[jwadden@goodmans.ca](mailto:jwadden@goodmans.ca)

**Michael Wilson**  
LSO No. 646740  
[mwilson@goodmans.ca](mailto:mwilson@goodmans.ca)

Tel: 416.597.5165  
Fax: 416.979.1234

Lawyers for the Plaintiff,  
**ECOHOME FINANCIAL INC.**

Court File No. CV-20-00636417-0000

ONTARIO  
SUPERIOR COURT OF JUSTICE

B E T W E E N :

ECOHOME FINANCIAL INC.

Plaintiff

- and -

UTILECREDIT CORP. and JOHN NASSAR

Defendants

---

**INDEX**

---

<b>TAB</b>		<b>PAGE</b>
1.	Affidavit of John Nassar sworn June 3, 2020	5
	<b>EXHIBIT</b>	
A.	Consumer Lease Program Agreement dated August 14, 2015	15
B.	Invoices for September 8, 2015 and May 16, 2017	45
C.	Email from John Nassar to Helen Liu dated May 18, 2017	54
D.	Financial Statements of Utilecredit Corp. from 2015 to 2019 (redacted)	58
E.	Email from Larry Newstadt to John Nassar dated October 6, 2015	89
F.	Email from John Nassar to Patty Pfanzelt dated December 14, 2018	98
G.	Email from John Nassar to Roy Murzello dated April 13, 2016	111
H.	Sample Utilecredit Corp. HVAC Rental Agreement (undated)	114
I.	Notice of Intention to Make a Proposal of Utilecredit Corp.	118

# TAB 1



ONTARIO  
SUPERIOR COURT OF JUSTICE

B E T W E E N :

ECOHOME FINANCIAL INC.

Plaintiff

- and -

UTILECREDIT CORP. and JOHN NASSAR

Defendants

---

**AFFIDAVIT OF JOHN NASSAR**  
*(Sworn on June 3, 2020)*

---

I, **JOHN NASSAR**, of the City of Toronto, in the Province of Ontario, make oath and say as follows:

1. I am a director of Utilecredit Corp. ("**Utilecredit**"), a Defendant in the herein proceedings, and as such I have knowledge of the matters hereinafter deposed to. Where my knowledge has come from others, I have so stated and verily believe it to be true. To the extent that any of the information set out in this affidavit is based on my review of documents, I verily believe the information in such documents to be true.
2. I swear this affidavit in opposition to the application brought by Ecohome Financial Inc. ("**Ecohome**") to appoint a court-appointed receiver over Utilecredit. In preparing this affidavit I have reviewed the affidavit of Brent Houlden sworn May 22, 2020 in support of the receivership motion (the "**Houlden Affidavit**"). As a general point I find that the Houlden Affidavit mischaracterizes the relationship between Ecohome and Utilecredit in several

material respects and I disagree that Utilecredit owes Ecohome any sum of money, as set out below. I note that Mr. Houlden was a stranger to me prior to reviewing his affidavit – I have dealt with many Ecohome and Dealnet personnel over the course of my relationship with them, but Mr. Houlden was not one of them. Given his lack of involvement with Utilecredit the basis of his understanding of the relationship between Ecohome and Utilecredit is unclear.

## **BACKGROUND**

3. A representative of Ecohome named Bill Tsiobanos approached me in or around early 2015 to discuss recruiting me as a dealer for Ecohome. After some discussion with Mr. Tsiobanos and other Ecohome representatives, I elected to become a dealer for Ecohome. At the express request of Ecohome I established Utilecredit. Ecohome requested that I establish Utilecredit to prevent any possibility of comingling the affairs of Ecohome with the affairs of any other funder with whom I do business. The sole purpose of Utilecredit is and always has been to service the Program Agreement.
4. To the extent that paragraph 7 of the Houlden Affidavit suggests that Utilecredit did business with any large financing companies other than Ecohome, that paragraph is false. As Mr. Houlden knows or ought to have known in making his affidavit, Utilecredit was a single purpose entity established at the request of Ecohome.
5. After Utilecredit was incorporated it entered into an agreement with Ecohome on or about August 14, 2015 (the "**Original Agreement**"), a copy of which is attached hereto and marked as **Exhibit "A"** to this my affidavit. Paragraph 9 of the Houlden Affidavit references predecessor contracts to the Program Agreement, suggestive of a long business relationship between Ecohome and Utilecredit. The Original Agreement was the only predecessor contract and it was signed a mere five months before the Program Agreement.
6. The entire relationship between Utilecredit and Ecohome lasted for less than two years. During that time frame, approximately every two weeks Utilecredit provided Ecohome with batches of Customer Contracts it had originated from a dealer network approved by and on behalf of

Ecohome accompanied by an invoice. Utilecredit rendered its first invoice to Ecohome on or about September 8, 2015, and its last invoice on or about May 16, 2017, copies of which invoices are attached hereto and marked **Exhibit "B"** to this my affidavit. During the life of the relationship I estimate that Utilecredit originated approximately \$17 million worth of Customer Contracts for Ecohome from three to four dealers.

7. Paragraphs 9 to 11 of the Houlden Affidavit are somewhat misleading in their characterization of the flow of funds pertaining to Customer Contracts insofar as it omits a crucial fact: no funds ever flowed from third party customers to Utilecredit. All Customer Contracts originated by Utilecredit were vetted by Ecohome in accordance with Ecohome internal credit policies.
8. Once approved, a Customer Contract was immediately "purchased" by Ecohome and all third party customer payments were made directly to Ecohome from the outset of each Customer Contract. As admitted at paragraph 9 of the Houlden Affidavit, Ecohome paid itself the deposit required to maintain the Cash Reserve Account at the outset of each Customer Contract by subtracting this amount from the amount paid to Utilecredit. Similarly, Utilecredit could not and did not work with any "sub-dealers" absent express approval by Ecohome. In short, Ecohome entirely controlled the funding process pursuant to the Program Agreement.
9. The relationship between Utilecredit and Ecohome was fraught with difficulty from the outset. Chief among the items of contention from Utilecredit's perspective was the lack of sufficient reporting by Ecohome in respect of the Cash Reserve Account. Attached hereto and marked **Exhibit "C"** to this my affidavit is a copy of an email sent May 18, 2017 by me to various Ecohome personnel, questioning unilateral and unexplained deductions from the Cash Reserve by Ecohome and setting out various deficiencies in the report including the fact that no annual review of the Cash Reserve was ever performed as mandated by section 2.02 of the Program Agreement.
10. Utilecredit and Ecohome had two meetings in the spring of 2017 to discuss the issue of reporting and the Cash Reserve but the problems were not resolved, and the relationship was informally terminated in or around May 2017.

11. The relationship was also strained by virtue of the fact that Ecohome experienced high turnover of personnel shortly after entering into the Original Agreement, owing in part to the acquisition of Ecohome by Dealnet. This turnover led to inconsistencies and numerous administrative problems due to the file passing through many hands at Ecohome as management changes ensued to the highest levels of the organization.

## **UTILECREDIT HAS NO ASSETS**

12. Utilecredit ceased originating contracts under the Program Agreement in mid-2017. The company was not repurposed and has not earned any revenues since that time. It has remained a dormant shell company. Utilecredit has no tangible assets, no employees, and prior to commencement of the lawsuit by Ecohome had not liabilities save for nominal related party debt of \$2,001. Utilecredit financial statements from 2015 onward are attached hereto and marked **Exhibit "D"** to this my affidavit, redacted to remove entries for any affiliated Utilecredit.
13. The only intangible asset Utilecredit has is a claim against Ecohome for the residual value of Customer Contracts. The Equipment that forms the subject matter of the Customer Contracts typically has a useful life that is significantly longer than the lease term of a given Customer Contract. Accordingly, a substantial portion of contracts in this industry revert to a month to month relationship for several years following the lease term. This residual value is predictable and carries realizable monetary value. The residual value of a given Customer Contract would revert to Utilecredit at the end of the lease term. I would estimate the total residual value of Customer Contracts originated by Ecohome is a minimum of \$2 million at the most conservative valuation.
14. Simply put, there are no assets residing in Utilecredit for a receiver to safeguard. In fact the collateral security is already in the possession of Ecohome, all customer relationships, billing and cash receipts as well.

## **UTILE DOES NOT OWE A DEBT TO ECOHOME**

15. The entirety of Ecohome's alleged secured debt over Utilecredit relies upon (i) an interpretation of the Program Agreement with which I disagree and (ii) an unsubstantiated assertion of an alleged deficiency in the Cash Reserve Account. I intend to file a Statement of Defence to the Action and am in process of preparing a defence with the assistance of counsel.
16. Firstly, I disagree entirely with the interpretation of the Program Agreement put forward in the Houlden Agreement as it pertains to alleged debt owing by Utilecredit to Ecohome. Among other things, I disagree with the narrow view taken by Ecohome of the limited recourse provision at 2.03 of the Program Agreement, and the indemnification provision at section 5.01(j), which would be held to apply only when the parties have an ongoing business relationship. I am confident in my interpretation as it accords with legal advice I received at the time of formation of the contract and with industry practice.
17. Secondly, the Lease Reserve Reconciliation is a bald statement of amounts allegedly owing and is both deficient and unreliable. The Cash Reserve had the sole purpose of providing additional security, limited liability, in support of the credit policy established by Ecohome for their business and priced into the rate charged. Contrary to the self-serving statement at paragraph 44 of the Houlden Affidavit, Ecohome has never provided a satisfactory accounting of the Cash Reserve Account to Utilecredit, and has provided no reporting whatsoever since spring 2017. The Lease Reserve Reconciliation provides no explanation or supporting documentation for any of the line items therein, and also seems to omit several key items. What is particularly distressing is that Ecohome has failed to take any action for approximately three years.
18. For instance, section 2.02(c) of the Program Agreement mandates that the Cash Reserve Account is to be topped up with any payments received by Ecohome by way of Annual Increases and End of Term Payments. Given the volume of Customer Accounts originated by

Utilecredit and the fact that Ecohome typically applies annual increases of approximately 3-5% to lease agreements, this is a substantial omission.

19. It is my understanding that in the course of litigation Ecohome would be required to prove line items such as Amounts Charged Off related to Bad Debts on a per contract basis. Ecohome has not provided a shred of evidence in its motion record in support of this or any other figure listed in the Lease Reserve Reconciliation and given the lack of transparency in Ecohome reporting for the past five years I intend to hold Ecohome to strict proof of such figures.
20. I also noticed a line item for notice of security interests (“**NOSIs**”) Ecohome charged Utilecredit a fee for registration of NOSIs which it deducted from the purchase price of each Customer Contract, as evidenced by the email exchange attached hereto and marked **Exhibit "E"** to this my affidavit. It appears that Ecohome is double-counting this expense.
21. Thirdly, Ecohome did not honour many of its obligations under the Program Agreement (in addition to the afore-mentioned failure to report in respect of the Cash Reserve Account).
22. For instance, provision 6.01 of the Program Agreement describes a payment mechanism providing an Open Bill Agreement with Enbridge and pre-authorized payment plan to be paid to a blocked bank account. Other provisions of the Program Agreement are present in support of this arrangement, including section 5 and specifically section 5.01(j). In addition, this would have leveraged my relationship with Enbridge to create efficiencies and allow for greater origination of Customer Contracts. Utilecredit took all necessary steps to give effect to this arrangement including obtaining a dedicated Enbridge account and setting up a blocker account, but Ecohome never used the mechanism, frustrating to some extent the ability of Utilecredit to originate contracts. Attached hereto and marked **Exhibit "F"** to this my affidavit is an email exchange confirming ultimate account closure of the blocked account.
23. Ecohome also never paid rebates to which Utilecredit was entitled, as per the email attached hereto and marked **Exhibit "G"** to this my affidavit.

24. Lastly, there may be a limitations issue with the claim given that the parties ceased their business dealings with one another well over two years ago. I will continue to explore this limitation issue along with other noted deficiencies with these proceedings and the statement of claim in particular with my counsel.

## **ECOHOME POSSESSES ALL SECURITY FOR CUSTOMER CONTRACTS**

25. As admitted in the Houlden Affidavit and set out herein, Ecohome was always in possession of the cash security provided for in the Program Agreement. It seeks to better this security by launching the within lawsuit against me but has never accounted for its use (if any) of the cash security it maintained in its possession from the outset of the relationship between Ecohome and Utilecredit, ignores the limited recourse nature of the agreement, its own credit policies, and business practices.

26. In addition to this cash security, Ecohome also enjoys significant collateral security. As admitted in paragraph 9 of the Houlden Affidavit, upon the purchase of each Customer Contract Ecohome assumed the rights and interest in the Equipment in that contract. A sample standard form contract Utilecredit contract is attached as **Exhibit "H"**. As can be seen in this document, this collateral security includes the ability to register a lien on the property where Equipment subject to a given Customer Contract is located. This allows the company to realize on delinquent accounts when the owner of a property refinances or sells their property.

27. Given the over-securitization of the equipment making up the Customer Contract portfolio, I find dubious the entire notion that Ecohome finds itself in a deficiency position on its security. I can only surmise that the Lease Reserve Reconciliation is a creative fiction created for litigation purposes. Furthermore, Ecohome bears responsibility for its action in setting the credit criteria, evaluating and approving Customer Contracts, as this would have had to be factored into their pricing as a prudent finance company would consider. I believe if Ecohome suffered credit losses it was as a result of their own actions or inaction and Utilecredit has limited liability in this regard.

## **INSOLVENCY OF UTILECREDIT**

28. In email correspondence in February I described Utilecredit, I now understand inaccurately, as insolvent. A more accurate description at that time would have been an asset-less shell corporation. Ironically, Utilecredit has been rendered insolvent by the litigation commenced by Ecohome. It has not assets with which to defend itself from a lawsuit, even one of dubious merit.
29. Accordingly, in the face of the receivership motion I caused Utilecredit to file a Notice of Intention to Make a Proposal to its Creditors, a copy of which is attached as **Exhibit "I"**. I am personally funding the proposal process and intend to fund a proposal to the creditors. I understand that if the proposal fails Utilecredit will be deemed bankrupt.

## **ULTERIOR MOTIVES OF ECOHOME IN BRINGING THE RECEIVERSHIP MOTION**

30. I believe that Ecohome is desirous of claiming the residual value of the Customer Contracts as its own without negotiating a fair price with Utilecredit. I, perhaps unwisely, offered to assign this residual value in the hopes of avoiding years of litigation over a brief commercial relationship that ended years ago, as per my email of May 20, 2020, found at page 95 of the Motion Record. Ecohome seems intent to extract a cash payment from me as well, regardless of whether it is entitled to such payment or not.
31. As there can be no proper purpose for the receivership for all the reasons set out in this affidavit, particularly now that a trustee is in place to safeguard the books and records of the Utilecredit, I believe Ecohome has brought the receivership motion to exert undue pressure on me by appointing a receiver to explore (and potentially seek to encumber) my personal assets and those of companies I am involved in. The aim appears to be to achieve a tactical advantage in litigation proceedings against me by circumventing the discovery process to its unilateral benefit.



32. This is ultimately a dispute over money launched by Ecohome against me in my personal capacity and there is no proper reason to appoint a receiver of over the dormant (and now insolvent) Utilecredit.

SWORN before me at the City  
Toronto, in the Province of Ontario  
this 3<sup>rd</sup> day of June 2020

*Murray Snider*

\_\_\_\_\_  
A COMMISSIONER, etc

06 / 03 / 2020

)  
)  
)  
)  
)  
)  
)

*John Nassar*

\_\_\_\_\_  
JOHN NASSAR

03 / 06 / 2020

**THIS IS EXHIBIT "A"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF JUNE 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

**MURRAY SNIDER**

**CONSUMER LEASE PROGRAM AGREEMENT**

**dated as of August 14, 2015**

**between**

**Utilecredit Corp.**

**as Seller/Assignor**

**and**

**Ecohome Financial Inc.**

**as Buyer/Assignee**

## TABLE OF CONTENTS

	Page
<b>ARTICLE 1 DEFINITIONS AND INTERPRETATION.....</b>	<b>3</b>
1.01 Definitions.....	3
1.02 Headings and References.....	11
1.03 Time .....	11
1.04 Number and Gender.....	11
1.05 Entire Agreement.....	11
1.06 Statute References.....	11
1.07 Severability .....	11
1.08 Governing Law .....	12
<b>ARTICLE 2 PURCHASE AND SALE OF LEASE CONTRACTS AND RELATED HVAC EQUIPMENT; REPURCHASE OPTION .....</b>	<b>12</b>
2.01 Purchase and Sale Transactions.....	12
2.02 Cash Reserves .....	13
2.03 Limited Recourse .....	13
2.04 Customer Buyouts.....	13
2.05 Default by Customers .....	13
2.06 Taxes .....	14
2.07 Repurchase Option.....	14
2.08 End of Contract Term .....	14
<b>ARTICLE 3 CONDITIONS PRECEDENT TO ASSIGNMENTS.....</b>	<b>15</b>
3.01 Conditions Precedent .....	15
<b>ARTICLE 4 REPRESENTATIONS AND WARRANTIES.....</b>	<b>17</b>
4.01 Representations and Warranties by the Company .....	17
4.02 Representations and Warranties by Financeco .....	19
4.03 Survival .....	20
<b>ARTICLE 5 COVENANTS .....</b>	<b>20</b>
5.01 Covenants by the Company .....	20
5.02 Termination Event .....	23
<b>ARTICLE 6 ADMINISTRATION OF LEASE CONTRACTS .....</b>	<b>23</b>
6.01 Billing and Collection of Lease Contracts .....	23
<b>ARTICLE 7 MISCELLANEOUS .....</b>	<b>24</b>
7.01 Assignments and Transfers.....	24
7.02 Remedies Cumulative .....	24
7.03 Waiver.....	24

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
7.04 Further Assurances.....	25
7.05 Notices .....	25
7.06 Confidentiality .....	25
7.07 Employment.....	25
7.08 Attorney .....	25
7.09 Communications with Customers .....	26
7.10 Survival .....	26
7.11 Counterparts.....	27
7.12 Benefit of Agreement.....	27

**THIS CONSUMER LEASE PROGRAM AGREEMENT**, dated as of August 14, 2015 between Utilecredit Corp., a corporation existing under the laws of the Province of Ontario (the “**Company**”) and Ecohome Financial Inc., a corporation existing under the laws of the Province of Ontario (“**Financeco**”).

**WITNESSETH** that, for valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto), it is agreed as follows:

## **ARTICLE 1 DEFINITIONS AND INTERPRETATION**

### **1.01 Definitions**

In this Agreement the following definitions shall be applicable:

“**Affiliate**” means, with respect to any person, any other person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such person, and includes any person in like relation to an Affiliate. A person shall be deemed to control another person if such first person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other person, whether through the ownership of voting securities, by contract or otherwise.

“**Applicable Cash Reserves Percentage**” shall be 5.0% of the Purchase Price of the Purchased Assets.

“**Applicable Law**” means, with respect to any person, property, transaction, event or other matter, any law, rule, statute, regulation, order, judgment, decree, treaty, directive or other requirement having the force of law relating or applicable to such person, property, transaction, event or other matter, and shall also include any interpretation thereof by any person having jurisdiction over it or charged with its administration or interpretation.

“**Assigned Payments**” means, with respect to a Lease Contract, (a) all regularly scheduled payments specified to be due during the initial term of such Lease Contract prior to the date (if any) on which the Customer thereunder may exercise an option to purchase the HVAC Equipment, whether such regularly scheduled payments are ultimately paid on a regularly scheduled date, on default, by acceleration, by optional prepayment or otherwise and (b) any Settlement Amount which is required to be paid by Enbridge to the Company; for greater certainty, Assigned Payments shall exclude Other Receivables and be limited to a term of 120 months.

“**Assignment**” means the sale and assignment by the Company to Financeco, and the purchase by Financeco from the Company, in accordance with the provisions hereof, of the Purchased Assets.

“**Blocked Account**” has the meaning ascribed thereto in Section 6.01.

“**Blocked Account Agreement**” has the meaning ascribed thereto in Section 6.01.

“**Bps**” means basis points, with one basis point being equal to 1/100 of 1%.

“**Business Day**” means any day excluding Saturday, Sunday and any day on which banks are not open for normal business in Toronto, Canada.

“**Cash Reserve Account**” means the account maintained by Financeco, into which a portion of each purchase of Lease Contracts specified in Section 2.02 shall be deposited.

“**Cash Reserve Amount**” at any time means the amount in the Cash Reserve Account at that time.

“**Cash Reserve Maintenance Percentage**” means the percentage obtained from time to time by dividing the applicable Cash Reserve Amounts at such time by the Net Outstanding Balance at such time and multiplying the same by 100.

“**Collateral**” means:

- (a) all rights, powers, remedies and other benefits of the Company under all present and future purchased Lease Contracts, including the Company’s rights to and interest in all present and future amounts payable under any purchased Lease Contract (but excluding all such amounts that have been validly purchased by Financeco pursuant hereto), all rights in or to payments under all corresponding present and future insurance policies maintained by any Customer or by the Company in respect of any of such purchased Lease Contracts (to the extent the same indemnify for loss or damage to any HVAC Equipment that is the subject matter thereof), the benefit of all covenants with respect to any such corresponding HVAC Equipment by the related Customer (including all indemnities and covenants with respect to maintenance and repair, use and insurance obligations, except to the extent that the same indemnify against liability to others), the right of the Company to ask, demand, sue for, collect, receive and enforce any and all monies now or hereafter payable under any of such purchased Lease Contracts and to enforce all other covenants, obligations, rights and remedies thereunder, except to the extent that any of such rights have been validly purchased by Financeco pursuant hereto or indemnify against liability to others;
- (b) the Other Receivables;
- (c) all monies now or at any time or from time to time hereafter held by Financeco and recorded in any Cash Reserve Account and all investments made from time to time with such monies, including all renewals thereof, accretions thereto, substitutions therefor, and all interest, income and revenue arising therefrom or by virtue thereof;
- (d) all other rights or interest of any kind whatsoever of the Company under or in connection with any purchased Lease Contracts, Related Assets or Assigned Payments not otherwise included in the Collateral; and

(e) all Proceeds of, from or with respect to any or all of the foregoing.

**“Company”** shall have the meaning specified in the first paragraph of this Agreement, and shall include its successors from time to time.

**“Contested”** means contested in good faith by appropriate proceedings promptly initiated and diligently conducted.

**“Contractual Obligation”** means, with respect to any person, any provision of any agreement, instrument or undertaking to which such person is a party or by which it or any of its property is bound.

**“Credit and Collection Policy”** means Financeco’s credit, collection and administration policies and procedures relating to the Lease Contracts.

**“Customer”** means an individual who deals at arm’s length with the Company for the purpose of leasing HVAC Equipment installed in the residence of such individual.

**“Customer Buyout”** means an early termination of a Lease Contract that has been initiated voluntarily by the Customer under such Lease Contract without solicitation from the Company.

**“Defaulted Lease”** means a Lease Contract in respect of which any two (2) or more payments are in arrears.

**“Discounted Amount”** is defined in the definition of Purchase Price.

**“Discount Rate”** means, with respect to a Purchase Transaction, the rate (based on monthly rather than semi-annual compounding of interest) of 7.95% per annum. Notwithstanding anything to the contrary herein contained, Financeco may, in its sole discretion, acting reasonably, and upon 15 days prior written notice to the Company, increase or decrease the Discount Rate based on then prevailing market conditions but only in accordance with movements in the Canadian Bond market for like term bonds and only to the same number of Bps.

**“Dollars”** or **“\$”** means lawful money of Canada.

**“Enbridge”** means Enbridge Gas Distribution Inc.

**“Financeco”** shall have the meaning specified in the first paragraph of this Agreement, and includes its successors and permitted assigns from time to time.

**“GAAP”** means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants.

**“General Security Agreement”** means a general security agreement granting to Financeco a security interest in and to all of the assets and undertaking of the Company which security



interest will provide Financeco with a first priority security interest over all Collateral and a security interest in all other assets of the Company.

**“HVAC Equipment”** means water heaters and heating, ventilation and air conditioning systems of a type and manufacture satisfactory to Financeco, and such other consumer equipment as may be agreed upon from time to time by Financeco and the Company for the purpose of the Purchase Transactions contemplated by this Agreement.

**“HVAC Equipment Servicing”** means, with respect to the HVAC Equipment subject to any Lease Contract, arranging service from qualified third party contractors required to repair or service such HVAC Equipment to good working order during the initial term of such Lease Contract.

**“in writing”** or **“written”** means any form of written communication or a communication by means of facsimile or electronic device.

**“including”** means “including without limitation”, and **“includes”** means “includes without limitation”.

**“Lease Contract”** means a contract, in form and substance satisfactory to Financeco, entered into between the Company and a Customer, pursuant to which the Company has leased HVAC Equipment to such Customer for a term of not more than 180 months.

**“Lien”** means any mortgage, charge, pledge, hypothecation, lien (statutory or otherwise), security interest or other encumbrance of any nature however arising, or any other security agreement or arrangement creating in favour of any creditor a right in respect of any particular property that is prior to the right of any other creditor in respect of such property.

**“Material Adverse Effect”** means a material adverse effect on the business, property, condition (financial or otherwise) or prospects of the Company or Financeco, as applicable, or a material adverse effect on the ability of any of the Company or Financeco, as applicable, to perform its obligations under this Agreement.

**“Net Outstanding Balance”** means, at any particular time with respect to any Lease Contract, the remaining present value of the remaining Assigned Payments under such Lease Contracts at such time, calculated at the Discount Rate applicable to the Purchase Transaction pursuant to which the Assigned Payments under such Lease Contract were purchased by Financeco.

**“New Open Bill Agreement”** means the Open Bill Access Billing and Collection Services Agreement to be entered into between the Company and Enbridge Gas Distribution Inc., as the same may be amended, supplemented, modified or replaced from time to time.

**“Notice of Security Interest”** means a notice of security interest registered on title to real property in the proper land registry office.

**“Open Bill Agreement”** means the Open Bill Access Billing and Collection Services Agreement between Financeco and Enbridge Gas Distribution Inc. dated January 6, 2014, as the same may be amended, supplemented, modified or replaced from time to time.

**“Other Receivables”** includes all amounts payable by a Customer but not yet paid to the Company under a purchased Lease Contract other than the Assigned Payments and includes, without limitation, contracted annual escalation payments, end of lease purchase options, income derived from early buyouts in excess of the Net Outstanding Balance, rate increases, late interest payments and any other cash receipts in excess of the Assigned Payments.

**“Permitted Liens”** means, at any time, the following:

- (ii) Liens in favour of Financeco;
- (iii) Liens in favour of Enbridge; and
- (iv) such other Liens (if any) as may be permitted in writing by Financeco.

**“person”** is to be broadly interpreted and shall include an individual, a corporation, a partnership, a trust, an unincorporated organization, a joint venture, the government of a country or any political subdivision thereof, or an agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity.

**“Potential Termination Event”** means any event, act or condition which, if not remedied with the giving of notice or lapse of time, or both, would constitute a Termination Event.

**“Principal”** means John Nassar.

**“Proceeds”** means, with respect to the Purchased Assets or any Collateral, all property in any form, derived directly or indirectly from any dealing with such property or asset or the Proceeds therefrom, and includes any payment representing indemnity or compensation for loss or theft of, or damage or destruction to, such property or asset or Proceeds thereof, including insurance proceeds.

**“Proceeds of Realization”** means, with respect to any Lease Contract, the net cash and non-cash proceeds of any sale, disposition or other realization of the HVAC Equipment applicable to such Lease Contract, and includes any insurance or similar recoveries with respect to the related HVAC Equipment that are to be or have been, as the context may require, applied in reduction of the liability of the applicable Customer under such Lease Contract.

**“property”** shall include any asset, property, revenue or undertaking, whether tangible or intangible, and whether or not shown on a balance sheet in accordance with GAAP.

**“Purchased Assets”** has the meaning ascribed thereto in Section 2.01.

**“Purchase Period”** means and constitutes that period commencing with the execution of this Consumer Lease Program Agreement until the date set out in paragraph 2.01(3) hereunder.

**“Purchase Price”** means, with respect to any Purchased Assets, an amount calculated by discounting the remaining Assigned Payments thereunder from the respective dates of payment thereof at the applicable Discount Rate (the **“Discounted Amount”**)

**“Purchase Transaction”** means a purchase of Purchased Assets by Financeco from the Company pursuant to this Agreement.

**“Related Assets”** means, in respect of any Assigned Payments, the following:

- (a) the Lease Contract, including all rights, powers, remedies and other benefits of the Company thereunder;
- (b) all rights in or to payments under all present and future insurance policies maintained by any Customer or by the Company in respect of any of such Lease Contracts;
- (c) the related HVAC Equipment;
- (d) all present and future guarantees, indemnities, warranties and other agreements or arrangements of whatsoever character from time to time supporting or securing payment or performance of the related Customer’s obligations thereunder, whether pursuant to such Lease Contract or otherwise, including any residual value guarantees and any agreements under which any third party is obligated to assist in any repossession and/or sale of repossessed collateral, or to purchase repossessed collateral and other repurchase and/or remarketing arrangements and any security therefor, but only insofar as they relate to such Customer’s obligations under such Lease Contract;
- (e) all present and future payments made on account of any loss of or damage to the related HVAC Equipment, excess wear and tear thereon or excess use thereof, whether under such Lease Contract or otherwise;
- (f) all claims, demands, actions, damages and indemnities owing to the Company with respect to any present or future patent and copyright indemnity agreements or manufacturers’ or suppliers’ warranties relating to any such HVAC Equipment, except to the extent that the same indemnify against liability to others;
- (g) any Lien on any assets mortgaged, charged, assigned or otherwise encumbered under or in connection with such Lease Contract; and
- (h) all Proceeds of, from or with respect to any or all of the foregoing.

**“Related Documents”** means any agreement, document, exhibit, notice or other written communication which has, at any time, been delivered by the Company to Financeco pursuant hereto, including, without limitation, the General Security Agreement and the Blocked Account Agreement.

**“Repurchase Price”** means, at any time and in respect of any Lease Contract, (A) the Net Outstanding Balance of such Lease Contract at such time or, (B) in the case where the cumulative Net Outstanding Balances of all Lease Contracts acquired by Financeco from the Company that have: (a) become Defaulted Leases; (b) been the subject of Customer Buyouts; (c) been terminated before the expiry of their respective terms; or (d) been otherwise repurchased by

the Company exceeds 5% of the then Net Outstanding Balances of the Lease Contracts remaining in the corresponding portfolio of Purchased Assets acquired by Financeco from the Company, an aggregate amount calculated by discounting the required remaining (including past due) lease payments (exclusive of, for greater certainty, any maintenance fees or taxes) pursuant to each Lease Contract purchased by Financeco from the Company at such time from the respective dates of payment thereof at a discount rate equal to the lesser of i) the yield on the Government of Canada non-redeemable bond maturing closest to the remaining term of each such Lease Contract, and ii) 4.00%.

**“Security”** means the documents described in Sections 3.01(k)(iii) and (v) and any other document pursuant to which the Company grants to Financeco security over its assets, including, without limitation, the HVAC Equipment which is the subject matter of each Purchase Transaction.

**“Settlement Amount”** shall have the meaning ascribed thereto in the Enbridge Agreements.

**“Termination Event”** means any of the following events or circumstances:

- (i) the Company fails to pay any fee or other amount when due and payable hereunder and such failure continues for three Business Days or more after written notice;
- (ii) the Company fails to make any payment or deposit to be made by it hereunder within two Business Days of the date when due after written notice;
- (iii) the Company defaults in the performance or observance of any term or covenant contained in paragraph 5.01(d), or if it defaults in the performance or observance of any other term or covenant contained in this Agreement (other than as set out in subsection (i) above) or any other agreement with Financeco and such default continues for 30 days or more after the earlier of the date on which it first has actual knowledge of such default and the date on which written notice of such default is given to it by Financeco;
- (iv) any Affiliate of the Company defaults in the performance or observance of any term or covenant of any agreement with Financeco which is not cured within any grace period applicable to any such breach;
- (v) any representation or warranty by the Company contained in this Agreement or in any certificate delivered hereunder by it shall be untrue in any material respect on the date as of which it was made;
- (vi) the average loss ratio (defined as the Net Outstanding Balance of Leases written off (excluding Lease defaults occurring in the previous 90-day period) as a percentage of the Net Outstanding Balance of all Leases assigned pursuant hereto) on a rolling three-month annualized basis is greater than 1.50%;

- (vii) the average default ratio (defined as the Net Outstanding Balance applicable to all Leases that are Defaulted Leases as a percentage of the Net Outstanding Balance of all Leases assigned pursuant hereto) on a rolling three-month annualized basis is greater than 2.50%;
- (viii) the Company defaults on the payment of any principal of or any interest on any indebtedness equal to or greater than \$50,000 (after the passage of all applicable grace periods), or breaches any term of such indebtedness or of any loan agreement, mortgage, indenture or other agreement relating thereto pursuant to which the Company has indebtedness equal to or greater than \$50,000 (after the passage of all applicable grace periods) if there is an acceleration under the applicable instrument and a demand for payment of the accelerated amount;
- (ix) the Company is or it will become unlawful for it to perform or comply with any or all of its obligations under this Agreement, or if any of its obligations under this Agreement shall cease to be its legal, valid, binding and enforceable obligation, or if the enforceability of any such obligation is disputed by it;
- (x) if a change of control of the Company occurs without the prior consent of Financeco, which consent will not be unreasonably held;
- (xi) if the Company suffers an event that would have a Material Adverse Effect on the financial condition of the Company as determined by Financeco acting reasonably;
- (xii) the Company commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or institutes proceedings for its winding up, liquidation or dissolution, or takes action to become a voluntary bankrupt, or consents to the filing of a bankruptcy proceeding against it, or files a petition or other proceeding seeking reorganization, readjustment, arrangement, composition or similar relief under any bankruptcy law or insolvency law or consents to the filing of any such petition or other proceeding, or consents to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of the whole or any material part of its property, or makes an assignment for the benefit of creditors, or publicly announces or admits in writing its inability to pay its debts generally as they become due, or suspends or threatens to suspend transaction of all or any substantial part of its usual business, or any action is taken by it or any of its shareholders in furtherance of any of the foregoing; or
- (xiii) proceedings are instituted in any court of competent jurisdiction by anyone other than the Company or a shareholder of the Company for the winding up, liquidation or dissolution of such person, or for any reorganization, readjustment, arrangement, composition or similar relief with respect to

the Company under any bankruptcy law or any other applicable insolvency law, or for the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of the whole or any material part of the property of the Company, and at any time thereafter such proceeding is not contested by the Company, or if any order sought in any such proceeding is granted and at any time thereafter such order is not either dismissed or contested by the Company and the effect thereof stayed.

## **1.02 Headings and References**

The division of this Agreement into Articles, Sections, Subsections, paragraphs and clauses, the insertion of headings and the provision of any table of contents are for convenience of reference only and shall not affect the construction or interpretation hereof. The Article, Section and other headings in this Agreement are not intended to be full or precise descriptions of the text to which they refer. All uses of the words “this Agreement”, “hereof”, “herein”, “hereto”, “hereunder” and “hereby” and similar expressions refer to this Consumer Lease Program Agreement as a whole and not to any particular provision of it. References to an Article, Section, Subsection, paragraph, clause or Exhibit refer to the applicable Article, Section, Subsection, paragraph, clause or Exhibit of this Agreement.

## **1.03 Time**

All time references herein shall, unless otherwise specified, be references to local time in Toronto, Canada.

## **1.04 Number and Gender**

Unless the context requires otherwise, words importing the singular shall include the plural and vice versa, and words importing gender shall include all genders.

## **1.05 Entire Agreement**

This Agreement constitutes the entire agreement among the parties relating to the subject matter hereof and supersedes, and where applicable replaces any and all prior agreements, negotiations, discussions and understandings, written or oral, between Financeco and the Company.

## **1.06 Statute References**

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

## **1.07 Severability**

If at any time any one or more of the provisions of this Agreement is or becomes invalid, illegal or unenforceable in any respect, such provision shall be deemed to be severed from this Agreement to the extent of such invalidity, illegality or unenforceability, and the validity,

legality and enforceability of the remaining provisions of this Agreement shall not be in any way affected or impaired thereby.

### **1.08 Governing Law**

This Agreement and all certificates and other documents delivered to Financeco hereunder shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

## **ARTICLE 2 PURCHASE AND SALE OF LEASE CONTRACTS AND RELATED HVAC EQUIPMENT; REPURCHASE OPTION**

### **2.01 Purchase and Sale Transactions**

(1) During the Purchase Period, the Company will sell to Financeco and Financeco will purchase from the Company Assigned Payments under certain Lease Contracts and the Related Assets (collectively, the **"Purchased Assets"**) for a price equal in each case to the Purchase Price calculated with respect thereto. Each request for a Purchase Transaction shall be made by the Company to Financeco not less than five (5) Business Days prior to the date on which such Purchase Transaction is to occur. No Purchase Transaction shall be completed unless and until all conditions specified in Section 3.01 shall have been satisfied. Notwithstanding the foregoing, Financeco may immediately terminate the Purchase Period by written notice to the Company during the continuance of a Termination Event relative to the Company. For clarity, the Company is entitled to cash receipts in excess of the Assigned Payments, including contracted annual escalation payments (which for certainty shall make up part of the Other Receivables).

(2) In connection with each Purchase Transaction, the Company shall submit to Financeco the Lease Contracts to be purchased by Financeco, together with such information relating to the applicable Customers and the related HVAC Equipment as Financeco may reasonably request with respect to such Lease Contracts. All such Lease Contracts and applicable Customers shall conform to Financeco's Credit and Collection Policies. Any Lease Contract which includes HVAC Equipment with an installed purchase price greater than \$15,000 requires the pre-approval of Financeco to be included in any Purchase Transaction. The Company shall sell to Financeco such Purchased Assets, and Financeco shall pay the Purchase Price to the Company (but subject to the amounts to be deducted from such Purchase Price by Financeco as specified in Section 2.02) on the Purchase Transaction date, upon satisfaction of the conditions precedent specified herein. Subject to the receipt of the net amount of the applicable Purchase Price by the Company, the Company shall be deemed to transfer, sell, convey, assign and deliver all of its right, title and interest in and to the Assigned Payments under each such Lease Contract and the Related Assets to Financeco as at the date on which such Lease Contract was submitted to Financeco as provided above.

(3) The period for the purchase and sale of Lease Contracts as set out in Subsections 2.01(1) and (2) and, provided no Termination Event has occurred, continues until August 31, 2018. Notwithstanding the foregoing, Financeco shall be entitled to terminate this Agreement at any time upon thirty (30) days prior written notice to the Company.

## **2.02 Cash Reserves**

(1) At the time of each Purchase Transaction under this Agreement, an amount equal to the Applicable Cash Reserves Percentage of the Purchase Price for such Purchase Transaction shall be deposited with Financeco by way of cash for deposit to the Cash Reserve Account. If at any time the Cash Reserve Maintenance Percentage falls below 5.0% of the then Net Outstanding Balance of Lease Contracts, measured monthly, the Company will remit to Financeco for deposit to the Cash Reserve Accounts cash or all Other Receivables but no other assets of the Company until such time as the Cash Reserves Maintenance Percentage has been restored to the proper amount.

(2) Financeco and the Company shall review the cash reserve requirements on an annual basis from the date of this Agreement, and provided no Termination Event or Potential Termination Event has then occurred, pay to the Company such amount of funds in the Cash Reserve Accounts as will result in the Cash Reserve Maintenance Percentage being equal to 6.0% of the Net Outstanding Balance of Lease Contracts.

## **2.03 Limited Recourse**

Except for the indemnity as set out in Section 5.01(i), it is specifically acknowledged and agreed that Financeco may, with respect to any Assignment or the obligation under Section 2.02(1), only have recourse against the Purchased Assets and the Collateral. In the event that the Company is required to indemnify Financeco pursuant to Section 5.01(i), there shall be no limitation to the recourse of Financeco to the assets of the Company.

## **2.04 Customer Buyouts**

In the event that a Customer initiates a Customer Buyout with respect to a Lease Contract: (a) the Company shall collect the proceeds of such Customer Buyout directly from the Customer for the account of the Company; and (b) Financeco shall collect for its own account an amount equal to the Repurchase Price relating to the termination of such Lease Contract from the Cash Reserve Account.

## **2.05 Default by Customers**

(1) At any time after a Lease Contract becomes a Defaulted Lease, Financeco shall, from time to time, debit the Cash Reserve Account in an aggregate amount equal to the Repurchase Price for such Lease Contract. Upon receipt by Financeco of any Proceeds of Realization in respect of any Defaulted Lease (excluding any amounts received in respect of applicable taxes), Financeco shall apply such Proceeds of Realization, firstly, to Financeco, to the extent that any Repurchase Price of such Lease Contract had not been satisfied out of the aggregate amount debited from the Cash Reserve Account and, secondly, by crediting the Cash Reserve Account by an amount equal to the balance of such Proceeds of Realization; and

(2) Financeco shall use all reasonable commercial efforts to enforce the rights of the lessor under the Lease Contract in default and to recover the maximum amount on account of the amounts owing under such Lease Contract. All of Financeco's reasonable out-of-pocket costs



and expenses incurred in relation to the enforcement and recovery of the Lease Contracts shall be charged to the Cash Reserve Account.

## **2.06 Taxes**

Financeco shall promptly pay and discharge when due all Canadian federal and provincial goods and services taxes and sales taxes, and any penalties or interest related thereto, in relation to its purchases of Purchased Assets pursuant to this Agreement, and Financeco agrees to indemnify and save the Company harmless from and against any such taxes, penalties or interest charged to or imposed upon the Company.

## **2.07 Repurchase Option**

Provided no Termination Event or Potential Termination Event has then occurred, the Company shall have the option to repurchase from Financeco tranches of at least Five Million Dollars (\$5,000,000) of the Purchased Assets (or if the remaining assets in the portfolio is less than Five Million Dollars (\$5,000,000), all remaining Purchased Assets) included in Purchase Transactions hereunder then held by Financeco, for a price equal to the Repurchase Price. The Company shall give Financeco 30 days' notice of its exercise of this option, in which case the purchase and sale of such Purchased Assets shall be completed not later than 90 days thereafter. The exercise of this option is still subject to Financeco's continued interest under Section 2.08. The sale of such Purchased Assets from Financeco to the Company shall be on an "as is, where is" basis without representation or warranty other than that Financeco has the right to enter into such sale and that such Purchased Assets are conveyed to the Company free and clear of all Liens originating by or through Financeco. Upon receipt by Financeco of the Repurchase Price, Financeco shall review the cash reserve requirements and pay to the Company such amount of funds in the Cash Reserve Accounts as will result in the Cash Reserve Maintenance Percentage being equal to 6.0% of the Net Outstanding Balance for Lease Contracts or if there are no Purchased Assets remaining, and no outstanding obligations owed by the Company to Financeco, then the entire Cash Reserve Accounts shall be paid to the Company.

## **2.08 End of Contract Term**

In consideration of the Company selling the Related Assets to Financeco, Financeco shall sell to the Company any Assigned Payments and Related Assets at the end of a Lease Contract's term (subject to confirmation by Financeco that the applicable Customer has performed all of its obligations under a Lease Contract and the receipt by Financeco of all amounts owing with respect to such Lease Contract). Subject to the receipt of the net amount of the applicable Purchase Price by Financeco, Financeco shall be automatically deemed to transfer, sell, convey, assign and deliver all of its right, title and interest in and to each such Assigned Payments and Related Assets to the Company as at the date on which the last Lease Contract payment was made by a Customer, without a requirement for further documentation. The sale of such Purchased Assets from Financeco to the Company shall be on an "as is, where is" basis without representation or warranty other than that Financeco has the right to enter into such sale and that such Purchased Assets are conveyed to the Company free and clear of all Liens originating by or through Financeco.

### ARTICLE 3

#### CONDITIONS PRECEDENT TO ASSIGNMENTS

##### 3.01 Conditions Precedent

Financeco shall not be obliged to complete an Assignment unless:

- (a) There shall exist no Termination Event or Potential Termination Event relative to the Company, and the Company shall have delivered to Financeco, if so requested by Financeco, a certificate of a senior officer of the Company to such effect.
- (b) The representations and warranties of the Company contained in Section 4.01 shall be true on and as of the date of such Assignment with the same effect as if such representations and warranties had been made on an as of such date, and the Company shall have delivered to Financeco, if so requested by Financeco, a certificate of a senior officer of the Company to such effect.
- (c) Each applicable Lease Contract shall be billed under the Open Bill Agreement or on a pre-authorized payment basis in favour of Financeco.
- (d) Each applicable Lease Contract shall have been duly executed and delivered by each of the Company and the Customer thereunder, and neither the Company nor such Customer shall be in default thereunder.
- (e) The applicable HVAC Equipment shall have been fully paid for by the Company. Such HVAC Equipment shall also be in good working order and shall be subject to no Lien other than Permitted Liens, and the Company shall have provided evidence of payment in full for such HVAC Equipment if so requested.
- (f) The Company shall have delivered to Financeco an original executed copy of each applicable Lease Contract, delivery and acceptance certificate, printout or electronic copy of a GeoWarehouse search confirming the homeowner's name related thereto, electronic recording of a telephonic confirmation call with the lessee with a script to be provided by Financeco from time to time and an electronic file relative to each applicable Lease Contract and the related HVAC Equipment in substance satisfactory to Financeco.
- (g) The Company shall have provided evidence of all filings or registrations necessary to protect the lessor's interests under each applicable Lease Contract as may be required by Financeco from time to time in its sole discretion.
- (h) Financeco shall have received reports showing the results of searches conducted in each jurisdiction reasonably identified by Financeco against the Company to determine the existence of any Liens in the Purchased Assets and the Collateral, together with evidence of the discharge and release of all Liens of any person in any of the Purchased Assets and the Collateral and copies of any estoppel or no-interest letters which Financeco shall have reasonably requested to confirm that any registration or filing against the Company that could be relied upon to perfect

or protect a Lien in any such property does not and will not be relied upon for such purpose.

- (i) Financeco shall have received the insurance documents and certificates required to be delivered by the Company to Financeco pursuant to Section 5.01(k) and (l).
- (j) Financeco shall have received such financial and other information relating to the Company as it shall have reasonably requested.
- (k) The following documents in form, substance and execution acceptable to Financeco shall have been delivered by the Company to Financeco before the first assignment but shall not be required for subsequent assignment:
  - (i) a certified copy of the constating documents and by laws of the Company, and of all corporate proceedings taken and required to be taken by the Company to authorize the execution and delivery of this Agreement and the Related Documents and the performance of the transactions by it contemplated therein;
  - (ii) a certificate of incumbency for the Company setting forth specimen signatures of the persons authorized to execute this Agreement and the Related Documents;
  - (iii) an executed copy of this Agreement and the Related Documents;
  - (iv) an executed consent and confirmation in favour of Financeco from Enbridge with respect to the Company;
  - (v) evidence of the establishment of the Blocked Account;
  - (vi) evidence that the Company is current with respect to the payment of any and all income taxes and sales and excise taxes;
  - (vii) a favourable legal opinion of counsel to the Company, addressed to Financeco, such opinion to include corporate, enforceability, no-breach, registration, perfection and search opinions and confirmation that the form of the Lease Contract(s) and any ancillary documents currently being used by the Company comply with all consumer laws applicable thereto including, without limitation, the *Consumer Protection Act* (Ontario) or any other equivalent legislation where the Company conducts business, as well as opinions covering such other matters relating to the Company, this Agreement, or the transactions provided for hereunder or thereunder as Financeco shall reasonably request, together with copies of all factual certificates and legal opinions delivered to such counsel in connection with such opinion upon which counsel has relied;
  - (viii) a General Security Agreement, in a form satisfactory to Financeco; and

- (ix) such other documents relative to this Agreement and the transactions contemplated herein as Financeco may reasonably require.

## ARTICLE 4 REPRESENTATIONS AND WARRANTIES

### 4.01 Representations and Warranties by the Company

To induce Financeco to purchase the Purchased Assets hereunder, the Company represents and warrants to Financeco that:

- (a) *Corporate Status and Power.* The Company is a corporation duly incorporated and organized and validly existing under the laws of its jurisdiction of incorporation, and has full corporate power and authority to own its property, to carry on the business carried on by it (which is and will continue to be only the business contemplated by this Agreement), and to enter into and perform this Agreement, the Related Documents and any Lease Contract.
- (b) *Qualification and Compliance with Law.* The Company is duly qualified and has full legal right to own its property and to carry on the business carried on by it, and is in compliance with all Applicable Law.
- (c) *Remittance of Taxes.* The Company is not in arrears with respect to required filings and remittances with any taxing authority beyond any grace periods in any jurisdiction where the Company carries on business.
- (d) *Authorization; Consents; Enforceable Obligations.* The Company has taken all corporate action necessary to be taken by it to authorize the execution, delivery and performance of this Agreement, the Related Documents and any Lease Contract. Except as has been obtained and is in full force and effect, no consent, waiver or authorization of, or filing with or notice to, any person (including any creditors or shareholders of the Company) is required to be obtained in connection with the execution, delivery or performance by the Company of this Agreement, the Related Documents or any Lease Contract. This Agreement and the Related Documents have been, and any Lease Contract will be, duly executed and delivered by the Company, and constitutes, or will constitute on delivery in the case of any Lease Contract, a legal, valid and binding agreement of the Company enforceable against the Company in accordance with its terms.
- (e) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the Related Documents and any Lease Contract will not conflict with or result in a breach of any Applicable Law, and will not conflict with, or result in a breach of, or constitute a default under, any of the provisions of the articles of incorporation, other constating documents or by laws of the Company or any agreement, permit or other Contractual Obligation to which the Company or any of its Affiliates is a party or by which it is bound.

- (f) *Litigation, etc.* Except as previously disclosed in writing by the Company to Financeco, there is no action, suit or proceeding (whether or not purportedly on behalf of the Company) pending or, to the knowledge of the Company, threatened, against or affecting the Company before any court or before or by any governmental department, commission or agency, in Canada or elsewhere, or before any arbitrator or board, and the Company is not in default with respect to any order or award of any arbitrator or government department, commission or agency or otherwise seeking damages or payment of monies which exceed the sum of \$50,000.00.
- (g) *Termination Events.* No Termination Event or Potential Termination Event relative to the Company has occurred.
- (h) *Title to and Sufficiency of Property.* The Company is the legal and beneficial owner of all Purchased Assets included in any Purchase Transaction hereunder, in each case free of all Liens other than Permitted Liens.
- (i) *Service Response Times.* The Company will ensure that it provides service responses in connection with Customer requests in a commercially reasonable manner and timeframe, the acceptability of which shall be determined by Financeco, in its sole opinion.
- (j) *Conditions under Lease Contracts.* As at the date of each Assignment, all covenants and obligations of any kind whatsoever to be performed or fulfilled by the Company as lessor under each Lease Contract to be included in such Assignment, including without limitation all conditions precedent to the obligation of the Customer thereunder to pay all amounts expressed to be payable thereunder when due, have been duly performed or fulfilled.
- (k) *Lease Contracts.* In respect of each Lease Contract to be included in each Assignment:
  - (i) such Lease Contract is to be in a form approved by Financeco, the Company has not given any consents, approvals or waivers, or agreed to any amendments, or made any representations, warranties or commitments to the Customer thereunder, which would in any way impair the rights of the Company (or of Financeco as purchaser) to receive all amounts expressed to be payable thereunder when due;
  - (ii) there has been no payment of any amount under such Lease Contract prior to the time that it is specified therein to be payable;
  - (iii) the related HVAC Equipment is accurately described therein, is in good operating condition and has been delivered, properly installed by a qualified installer, and accepted without conditions or objection by the Customer thereunder;

- (iv) the Customer thereunder has no valid basis for contestation of the right of the Company (or of Financeco as purchaser) to receive all amounts expressed to be payable thereunder when due (in each case without setoff or abatement whatsoever);
- (v) such Lease Contract complies with all consumer laws applicable thereto;
- (vi) such Lease Contract has been duly executed and delivered by the Customer thereunder, is bona fide, and is a valid and legally binding obligation of such Customer and the Company enforceable in accordance with its terms;
- (vii) no person other than the Company has any right, title or interest in or to such Lease Contract or the related HVAC Equipment (except the Customer as lessee under such Lease Contract);
- (viii) all registrations, recordings and filings required by Financeco (including without limitation the filing of any financing statement pursuant to the applicable *Personal Property Security Act*) have been made as are necessary or of advantage to perfect and protect the interest of the Company with respect to such Lease Contract and the related HVAC Equipment. At its own cost, the Company shall file a Notice of Security Interest for each Lease Contract with a Purchase Price of at least \$15,000;
- (ix) the Customer thereunder has been informed in writing of the appropriate procedure to obtain HVAC Equipment Servicing;
- (x) all information delivered by the Company to Financeco with respect to such Lease Contract and the related HVAC Equipment is accurate in all material respects;
- (xi) all HVAC Equipment has a non-removable, heat resistant sticker affixed to the HVAC Equipment with a 1-800 customer service telephone number and identifying the HVAC Equipment as the property of the Company; and
- (xii) The Customer has insured the HVAC Equipment in accordance with the provisions of the Lease.

#### **4.02 Representations and Warranties by Financeco**

To induce the Company to sell the Purchased Assets hereunder, Financeco represents and warrants to the Company that:

- (a) *Corporate Status and Power.* Financeco is a corporation duly incorporated and organized and validly existing under the laws of its jurisdiction of incorporation, and has full corporate power and authority to own its property, to carry on the

business carried on by it (which is and will continue to be only the business contemplated by this Agreement), and to enter into and perform this Agreement.

- (b) *Qualification and Compliance with Law.* Financeco is duly qualified and has full legal right to own its property and to carry on the business carried on by it, and is in compliance with all Applicable Law.
- (c) *Authorization; Consents; Enforceable Obligations.* Financeco has taken all corporate action necessary to be taken by it to authorize the execution, delivery and performance of this Agreement. Except as has been obtained and is in full force and effect, no consent, waiver or authorization of, or filing with or notice to, any person (including any creditors or shareholders of Financeco) is required to be obtained in connection with the execution, delivery or performance by Financeco of this Agreement. This Agreement has been duly executed and delivered by Financeco, and constitutes a legal, valid and binding obligation of Financeco enforceable against Financeco in accordance with its terms.
- (d) *No Conflicts.* The execution, delivery and performance by Financeco of this Agreement will not conflict with or result in a breach of any Applicable Law, and will not conflict with, or result in a breach of, or constitute a default under, any of the provisions of the articles of incorporation, other constating documents or by laws of Financeco or any agreement, permit or other Contractual Obligation to which Financeco is a party or by which it is bound.

#### **4.03 Survival**

All representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the purchase and sale of the Purchased Assets from time to time, and the completion of each Assignment shall constitute a reaffirmation on and as of the date thereof, by reference to the then existing facts and circumstances, of all representations and warranties of the Company contained in this Agreement.

### **ARTICLE 5 COVENANTS**

#### **5.01 Covenants by the Company**

So long as Financeco is obliged to purchase any Purchased Assets hereunder, the Company covenants and agrees that it shall:

- (a) *Information.* Furnish to Financeco:
  - (i) not later than 90 days after the end of each financial year of the Company, a copy of the annual financial statements of the Company as at the end of such financial year prepared by an external CPA firm, which financial statements shall include the Company's balance sheet and the related statements of income, retained earnings, changes in financial position of the Company and notes to same;

- (ii) not later than 45 days after the end of each financial quarter (including the last quarter) of each financial year of the Company, a copy of the unaudited balance sheet of the Company as at the end of such quarter and the related unaudited statements of income, retained earnings and changes in financial position of the Company for such quarter and the portion of the financial year through the end of such quarter, setting forth in each case in comparative form the figures for the previous financial year of the Company, along with a certificate of the chief financial officer of the Company stating that in his opinion such financial statements present fairly the financial position of the Company at the date of such statements and for the financial quarter included in such statements;
  - (iii) concurrently with the delivery of the financial statements referred to in clauses (i) and (ii) above, a certificate of the Secretary of the Company stating that, to the best of such officer's knowledge, the Company during such period has observed or performed all of its covenants and other agreements contained in this Agreement to be observed or performed by it, and that such officer has obtained no knowledge of the occurrence of any Termination Event or Potential Termination Event except as specified in such certificate; and
  - (iv) promptly, such additional financial and other information relating to the Company as Financeco may from time to time reasonably request.
- (b) *Notices.* Give notice of each of the following events to Financeco promptly upon becoming aware of any such event:
  - (i) the occurrence of any Termination Event or Potential Termination Event on the part of the Company; and
  - (ii) any event which has had, or which has a reasonable possibility of having, a Material Adverse Effect on the Company.
- (c) *Liens.* Not create, incur, assume or suffer or permit to exist any Lien upon any Purchased Assets or Collateral, whether now owned or hereafter acquired, except for Permitted Liens.
- (d) *Payments in Trust.* The Company shall comply with the billing and collection procedures set out in Section 6.01. If any monies are received otherwise than in compliance with Section 6.01, the Company shall receive in trust and punctually remit to Financeco all amounts which may from time to time be received by the Company on account of any Lease Contract that has been purchased by Financeco hereunder.
- (e) *Notice of Litigation.* The Company shall notify Financeco in the event any litigation for an amount equal to or greater than \$50,000 is commenced or threatened by the Customer under any Lease Contract against the Company or Financeco, forthwith upon the Company obtaining knowledge thereof.



- (f) *Location of Assets.* The Company shall provide Financeco with at least [30] days prior written notice of its intention to move its business from the address provided for opposite its name on the signature page of this Agreement if the chief executive office is moving to a different province and written notice within 30 days of such move if the location is remaining within the province.
- (g) *Payment of Costs and Expenses.* The Company shall reimburse Financeco on demand in writing, for all reasonable actual out-of pocket expenses incurred by on or behalf of Financeco including, without limitation, the reasonable fees and disbursements of counsel to Financeco in connection with the enforcement of the rights of Financeco under this Agreement or any other documentation ancillary to the completion of the transactions contemplated hereby; for greater certainty, Financeco agrees that fees and disbursements of counsel incurred with the preparation of this Agreement shall be for the account of Financeco.
- (h) *HVAC Equipment Installation and Servicing.* The Company shall ensure that all HVAC Equipment installation and service work to be performed thereon, whether for warranty or otherwise, be completed in a timely, diligent, professional and competent manner employing skilled and qualified individuals in accordance with the highest industry standards and with all Applicable Laws including, without limitation, TSSA license requirements, WSIB certification, adequate liability insurance and any other reasonable requirements requested by Financeco. The Company shall be responsible for all labour costs incurred for HVAC equipment repairs required to correct problems or defects arising as a result of the installation of such HVAC Equipment within the first 90 days of the installation date of any HVAC Equipment, except to the extent that such repairs or replacement are covered by the applicable manufacturer's warranty.
- (i) *Indemnity.* The Company and its Principal agrees to indemnify and save harmless Financeco from and against all actions, suits, costs, losses, charges, damages and expenses whatsoever which Financeco may suffer or incur or which may be made against Financeco arising out of or in connection with (i) any breach of any representation, warranty or covenant made under this Agreement or any Related Document, or (ii) the Company not complying with its obligations under this Agreement, any Related Document or under any Lease Contracts.
- (j) *Insurance.* The Company will obtain and maintain insurance of such types (including contingent liability insurance) against such risks as is prudent for a business of an established reputation, in such amounts and in a form and substance acceptable to Financeco and with reputable insurers acceptable to Financeco and (i) prior to the initial Purchase Transaction, the Company will deliver to Financeco a true and complete copy of such insurance policies and (ii) prior to the initial Purchase Transaction and, if requested by Financeco, prior to each Purchase Transaction thereafter, the Company will deliver to Financeco a photocopy of a certificate of insurance in respect of each such insurance confirming the existence and good standing thereof in compliance herewith; without limiting the foregoing, each such insurance policy that is applicable to or

relating to the Purchased Assets and the Collateral shall name Financeco as a loss payee as its interest may appear and as an additional insured, shall provide that such policy may not be terminated, cancelled or reduced in any manner without 30 days' prior written notice to Financeco and shall provide that no act, omission, concealment or misrepresentation by the Company or any other named insured shall affect Financeco's rights thereunder, in each case, in form and substance satisfactory to Financeco.

- (k) *Certificate of Insurance.* The Company will, on or prior to each Purchase Transaction, deliver to Financeco a photocopy of any certificate of insurance from the insurer or broker of any Customer that is required by the related Lease Contract to be delivered to the lessor thereunder.

## 5.02 Termination Event

Upon the occurrence of and during the continuance of a Termination Event, Financeco may take any or all of the following actions: (i) refuse to enter into additional Purchase Transactions; (ii) realize upon any of the Security (including, without limitation, assuming the collection of all Assigned Payments and Other Receivables under all Lease Contracts and the management and administration of all Lease Contracts and retain all amounts payable under such Lease Contracts until all amounts have been paid in full); (iii) send a notice to each Customer to make all further payments due under the Lease Contract to Financeco or as it may otherwise direct and in doing so, utilize the power of attorney as set out in Section 7.08 below; and (iv) exercise any other right or power or take any action, suit, remedy or proceeding authorized or permitted by this Agreement, any of the Security, by law, by equity or otherwise. The rights of Financeco under this Section 5.02 are cumulative and not exclusive.

## ARTICLE 6 ADMINISTRATION OF LEASE CONTRACTS

### 6.01 Billing and Collection of Lease Contracts

Financeco will administer the billing and collection of all Lease Contracts purchased by Financeco hereunder. Financeco will maintain a complete set of billing files on Financeco's computer system. All amounts will initially be collected under the Open Bill Agreement or a pre-authorized payment plan ("**PAPP**") and shall be paid to a designated bank account held by Financeco. Upon the entering into of the New Open Bill Agreement between the Company and Enbridge, all amounts will be collected under the New Open Bill Agreement or a PAPP shall be paid to a designated bank account in the name of the Company in trust for and subject to the control of Financeco which is subject to a blocked account agreement (the "**Blocked Account Agreement**") with the applicable bank (the "**Blocked Account**"). The Company shall be responsible for the payment of all fees, expenses and costs payable which are related to this Agreement under the Open Bill Agreement, and shall be responsible for the payment of all fees, expenses and costs payable under the New Open Bill Agreement and all PAPP accounts. The Company will grant Financeco electronic access and sole signing authority to the Blocked Account. At the end of each month, and provided no Termination Event or Potential Termination Event on the part of the Company has occurred, Financeco will transfer any amounts in its

account or in the Blocked Account in excess of what is required to be paid to Financeco hereunder to the Company at the end of each month. The Company agrees to use commercially reasonable efforts to enforce the rights of the lessor under each Lease Contract pursuant to which a Customer default has occurred, including but not limited to removal of corresponding HVAC Equipment and other actions as required by Financeco.

## **ARTICLE 7 MISCELLANEOUS**

### **7.01 Assignments and Transfers**

(1) In addition to any transfer or assignment required by Applicable Law to be made to any person, Financeco may assign or transfer all or part of its rights and obligations in respect of the Lease Contracts and the related HVAC Equipment to any person (an “**Assignee**”) at such times and upon such terms as it may determine, without any obligation to obtain any consent of the Company or to notify the Company of the identity of the Assignee. The Company shall promptly execute and deliver such assurances as may be reasonably requested by Financeco to confirm the foregoing. The assignment by Financeco to an Assignee shall not increase the obligations or costs of the Company hereunder, unless a Termination Event or Potential Termination Event has occurred, following the occurrence of which it is agreed that Financeco may make an assignment to an Assignee even if it results in increased obligations or costs of the Company.

(2) Financeco may disclose to a potential Assignee such information concerning the Company as Financeco may consider to be appropriate in connection therewith.

(3) The Company shall not assign or transfer any part of its rights and obligations hereunder without the express written consent of Financeco.

### **7.02 Remedies Cumulative**

The rights and remedies of each of Financeco and the Company under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by law or by equity.

### **7.03 Waiver**

No delay on the part of any party hereto in exercising any right or privilege hereunder shall operate as a waiver thereof, and no waiver of any Termination Event on the part of Financeco or the Company shall operate as a waiver thereof unless made in writing and signed by an authorized officer of the other of them. No written waiver shall preclude the exercise by waiving party of any right, power or privilege hereunder other than in respect of the specific action or inaction covered by such waiver and strictly in accordance with the terms of such waiver, or extend to or apply to any other Termination Event.

#### **7.04 Further Assurances**

Each of the Company and Financeco shall from time to time forthwith upon request by the other of them, do, make and execute all such documents, acts, matters and things as may be reasonably required by the other of them to give effect to this Agreement and each Assignment.

#### **7.05 Notices**

Any notice or communication to be given hereunder may be effectively given by delivering the same at the addresses set out on the signature page hereof or by sending the same by facsimile, electronic communication or prepaid registered mail to the parties at such addresses. Any notice so mailed shall be deemed to have been received on the fifth Business Day next following the mailing thereof, provided that postal service is in normal operation during such time. Any facsimile or electronic communication shall be deemed to have been received on transmission if sent during normal business hours on a Business Day and, if not, on the next Business Day following transmission. Any party may from time to time notify the other parties, in accordance with the provisions hereof, of any change of its address which thereafter, until changed by like notice, shall be the address of such party for all purposes of this Agreement.

#### **7.06 Confidentiality**

Each party hereto will maintain on a confidential basis (except as otherwise permitted hereunder or as required by Applicable Law) all information relating to the other party provided to it hereunder by the other parties; provided, however, that this Section 7.06 shall not apply to any information which (i) was lawfully in the public domain at the time of communication to the first party, (ii) lawfully enters the public domain through no fault of the first party subsequent to the time of communication to the first party, (iii) was lawfully in possession of the first party free of any obligation of confidence at the time of communication to the first party, (iv) was lawfully communicated to the first party free of any obligation of confidence subsequent to the time of initial communication to the first party or (v) was lawfully communicated to any person free from any obligation of confidence subsequent to the time of communication to the first party.

#### **7.07 Employment**

Nothing contained in this Agreement shall be construed to constitute either or both of the Company and Financeco as partners or agents, and neither of them shall have any authority to bind the other in any respect, except as expressly stated herein.

#### **7.08 Attorney**

The Company hereby grants to Financeco an irrevocable power of attorney, with full power of substitution and expressly coupled with an interest in favour of Financeco, to take in the place and stead of and in the name of the Company or in Financeco's own name from time to time at Financeco's discretion, acting reasonably, such actions as the Company may be obligated to take hereunder or as Financeco may deem necessary or advisable to collect, endorse, negotiate or otherwise realize on any Purchased Assets or Collateral or any part thereof, any negotiable instrument, or other right of any kind, held or owned by the Company and transferred or

delivered to or received by Financeco as payment on account or otherwise in respect of any of the Purchased Assets or Collateral, including:

- (a) to evidence or protect Financeco's interest in the Purchased Assets or Collateral and to execute and file, in the Company's name and on the Company's behalf, such recordings, registrations, financing or similar statements (including any amendments, renewals and continuation statements) under applicable laws, including in any personal property registry office as may be necessary or desirable to validate, perfect or protect Financeco's interest in the Purchased Assets or Collateral;
- (b) to ask, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for monies due and to become due in connection with the Purchased Assets or Collateral or otherwise owed to the Company or Financeco;
- (c) to receive, endorse and collect any cheques, drafts or other instruments, documents and chattel paper in connection with monies due and to become due in connection with the Purchased Assets or Collateral or otherwise owed to the Company or Financeco;
- (d) to file any claims or take any action or institute any proceedings that Financeco may deem to be necessary or desirable for the collection of any of the Purchased Assets or Collateral or the realization on any Collateral (including the filing of any proofs of claim or similar instruments or the taking of any actions incidental thereto under any insurance policies of the Company or of the related Customer in respect of any of the Lease Contracts); and
- (e) to prepare, execute, deliver and/or register, in the Company's name and on the Company's behalf, such instruments and documents (including assignments) necessary or desirable in furtherance of the foregoing.

The power of attorney and other rights and privileges granted by this Section shall survive any dissolution, liquidation or winding-up of the Company.

#### **7.09 Communications with Customers**

Any communications with Customers from time to time with respect to the Purchased Assets including, without limitation, payment defaults, account and payment enquiries and changes in names and addresses shall be in the discretion of Financeco.

#### **7.10 Survival**

All agreements, representations and warranties made herein shall survive the execution and delivery of this Agreement and the sale and purchase of Lease Contracts and HVAC Equipment hereunder, and all indemnities set forth herein shall survive the termination of this Agreement.

### **7.11 Counterparts**

This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

### **7.12 Benefit of Agreement**

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

Address:

**ECOHOME FINANCIAL INC.**

156 Duncan Mill Rd., Unit 16  
Toronto, Ontario  
M3B 3N2

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

Name:

Title:

  
JEFF CLARK  
COO

Address:

**UTILECREDIT CORP.**


Utilecredit Corp.

302 ~~300~~ The East Mall, Suite ~~700~~  
Toronto, ON M9B 6B7 301

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

Name:

Title:

  
John Nasso  
President

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

Name:

Title:

23524515.6

**THIS IS EXHIBIT "B"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF JUNE 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

**MURRAY SNIDER**



**INVOICE****Head Office:**

302 The East Mall, Suite 301,  
Etobicoke, Ontario.  
M9B 6C7

<b>Date:</b>	2015-09-08
<b>Invoice #</b>	ECO001
<b>HST#</b>	81132 7964 RT0001

**SOLD TO:**

EcoHome Financial Inc.  
156 Duncan Mill Road, Suite 16  
Toronto, ON M3B 3N2

**SHIP TO:**

As per attached supporting spreadsheet

Type	Total Qty	Equipment Description	Amount
Rent		as per equipment description detailed on various contract agreements supporting this spreadsheet	
	3		17,458.68
Equipment sold free and clear of all liens and encumbrances			
Subtotal:			\$ 17,458.68
Tax Rate (Rent):			13%
Tax:			\$ 2,269.63
Reserve			\$ 872.93
Total:			\$ 18,855.37

Amount Paid:

Balance Due: \$ 18,855.37

**Thank you for your business!**

Exhibit 1

DATE RCVD	BRANCH	BATCH #	CONTRACT NO.	FIRST NAME	LAST NAME	FIRST NAME 2	LAST NAME 2	STREET #	STREET NAME	UNIT #	CITY	PROVINCE	POSTAL CODE	PHONE #1	PHONE #2	EMAIL	TERM
2015-09-01	USave	USC1	H11154	Sarabjeet	Kundi			118	Mintleaf Blvd.		Brampton	ON	L6R2Y7	647-385-7197			120
2015-09-01	USave	USC1	H11048	Rizwan	Muhammed	Naheed	Muhammed	58	Prosperity Pthway		Scarboroug	ON	M1B4H1	416-871-1524			120
2015-09-01	USave	USC1	H11046	Jordan	Hameed	Leslie	Hameed	53	Oak Knolls Cres		Scarboroug	ON	M1B4V1	647-294-9896			120
Count		3															

PV  
Loss Reserve  
**Net payable**  
**HST Payable**  
**Total**

CONTRACT PAYMENT	PAYMENT FREQUENCY	TOTAL EQUIPMENT COST	INSTALLATION DATE	COMMENCEMENT DATE	ENBRIDGE GAS ACCOUNT NO.	ENBRIDGE METER NO.	ASSET DESCRIPTION 1	ASSET MANU 1	ASSET MODEL 1	ASSET S/N 1	ASSET COST 1	NET	HST	INVOICE TOTAL
69.99	monthly	0.00	2015-08-15	2015-09-01	682156418235		furnace	GOODMAN	GMSS960603BN	1504024097	0.00	\$5,819.56	\$ 756.54	\$6,576.10
69.99	monthly	0.00	2015-08-19	2015-09-01		5135660	furnace	GOODMAN	GMVC960603BN	1504306529	0.00	\$5,819.56	\$ 756.54	\$6,576.10
69.99	monthly	0.00	2015-07-24	2015-09-01	910010073064		furnace	GOODMAN	GMVC960803BN	1503179826	0.00	\$5,819.56	\$ 756.54	\$6,576.10
<u>209.97</u>												<u>*****</u>	<u>*****</u>	<u>*****</u>
<u>\$209.97</u>												\$17,458.68 \$2,269.63 \$19,728.31		
<u>\$ 209.97</u>														
<u>\$17,458.68</u>														
<u>\$872.93</u>														
<u><b>\$16,585.75</b></u> (A)														
<u><b>\$2,269.63</b></u> (B)														
<u><b>\$ 18,855.37</b></u>														



# INVOICE

**Head Office:**

302 The East Mall, Suite 301,  
Etobicoke, Ontario M9B 6C7

M9B 6C7

<b>Date:</b>	2017-05-16
<b>Invoice #</b>	HSE Batch 82
<b>HST#</b>	81132 7964 RT0001

**SOLD TO:**

EcoHome Financial Inc.  
156 Duncan Mill Road, Suite 16  
Toronto, ON M3B 3N2

**SHIP TO:**

As per attached supporting spreadsheet

Type	Total Qty	Equipment Description	Amount
Rent	1	as per equipment description detailed on various contract agreements supporting this spreadsheet	<b>89,517.39</b>
Equipment sold free and clear of all liens and encumbrances			

Subtotal:	\$	89,517.39
Tax Rate (Rent):		13%
Tax:	\$	11,637.26
Reserve	\$	4,475.87
Total:	\$	96,678.78
Registration		\$2,310.00
Balance Due:	\$	<b>94,368.78</b>

**Thank you for your business!**

Agent	DATE RCVD	BATCH #	CONTRACT NO.	FIRST NAME	LAST NAME	Transaction #	FIRST NAME 2
HSEI	5-12-2017	82	HSEHV2327	Rudolph	Dailey	91693	
HSEI	5-12-2017	82	HSEHV6379A	Joao Da	Costa	91541	
HSEI	5-12-2017	82	HSEHV6379B	Joao Da	Costa	91541	
HSEI	5-12-2017	82	HSEHV2374	Vladimir	Matovic	91547	
HSEI	5-12-2017	82	HSEHV6381	Mary	Stewart	91552	Margaret
HSEI	5-12-2017	82	HSEHV6618	Paul	Leclair	91619	Martina
HSEI	5-12-2017	82	HSEHV6382	Vilas	Torsckar	91596	Alka
HSEI	5-12-2017	82	HSEHV6648	Edda	Bosich	91606	Guido
HSEI	5-12-2017	82	HSEHV2398	John Ernie	Franz	91558	
HSEI	5-12-2017	82	HSEHV2213	Arlene	Charezenko	91554	
HSEI	5-12-2017	82	HSEHV6634	Eelma Bella	Tulga	91538	
HSEI	5-12-2017	82	HSEHV2312	Oliver	Pineda	91490	Lira
HSEI	5-12-2017	82	HSEHV2241	Nick	Desimone	91234	Lucia
HSEI	5-12-2017	82	HSEHV3433	Sandra	Hurst	88444	
HSEI	5-12-2017	82	HSEHV2247	Luigi	Lambert	91398	Christina
HSEI	5-12-2017	82	HSEHV2313A	Michael	Kogan	91506	
HSEI	5-12-2017	82	HSEHV2313B	Michael	Kogan	91506	
HSEI	5-12-2017	82	HSEHV6447	Tom	Sanderson	91460	
HSEI	5-12-2017	82	HSEHV3503	Robert	Loslo	91458	
HSEI	5-12-2017	82	HSEHV3504A	John	Franz	91466	
HSEI	5-12-2017	82	HSEHV3504B	John	Franz	91466	
HSEI	5-12-2017	82	HSEHV2384A	Beverly	Samuel Lowe	91422	Neville
HSEI	5-12-2017	82	HSEHV2384B	Beverly	Samuel Lowe	91422	Neville
HSEI	5-12-2017	82	HSEHV2325	Sandlgya	Swaminathan	91607	
HSEI	5-12-2017	82	HSEHV4508	Laticia	Bletran	89968	Rafael

LAST NAME 2	UNIT #	STREET #	STREET NAME	CITY	PROVINCE	POSTAL CODE	TERM
		44	Niagara Pl	Brampton	ON	L6S 4Y9	120
		137	Green Gate Blvd	Golt	ON	N1T 0C4	120
		137	Green Gate Blvd	Golt	ON	N1T 0C4	120
		422	Woodbine Ave	Kitchener	ON	N2R 0A9	120
Terry		5	Clive Ave	Guelph	ON	N1E 3S2	120
Leclair		129	McFeeter Cres	Bowmanville	ON	L1C 4K6	120
Torsckar		18	Croach Cres	Toronto	ON	M1S 4J1	120
Bosich		56	Glen Agar Dr	Etobicoke	ON	M9B 5M1	120
		1109	Vansickle Rd N	St. Catharines	ON	L2S 2Z7	120
		523	Glengarry Ave	Toronto	ON	M5M 1G2	120
	32	178	Wiltshire Ave	Toronto	ON	M6N 5G2	120
Pineda		92	Montebello Cres	Ajax	ON	L1T 4M9	120
Desimone		54	Canterbury Crt	Richmond Hill	ON	L4C 8E8	120
		34	ValleyCrest Dr	Courtice	ON	L1E 1H7	120
Lambert		31	Venetian Cres	Woodbridge	ON	L4L 5E6	120
		32	Cunningham Dr	Thorton	ON	L0L 2N0	120
		32	Cunningham Dr	Thorton	ON	L0L 2N0	120
		25	Sunnylea Ave W	Etobicoke	ON	M8Y 2J6	120
		25	Ker Cres	Pelham	ON	L0S 1C0	120
		1109	Vansickle Rd N	St. Catharines	ON	L2S 2Z7	120
		1109	Vansickle Rd N	St. Catharines	ON	L2S 2Z7	120
Lowe		53	Grattan St	North York	ON	M9N 3J6	120
Lowe		53	Grattan St	North York	ON	M9N 3J6	120
		41	Maldives Cres	Brampton	ON	L6P 1L3	120
Beltran		1055	Shawmarr Rd	Mississauga	ON	L5H 3V2	120

# OF MTHS FREE	RENTAL	INSTALLATION DATE MM/DD/YYYY	ASSET DESCRIPTION 1	ASSET MANU 1
3	\$ 48.99	2017-05-11	Water softner	Excalibur
3	\$ 49.00	2017-05-06	Water softner	Excalibur
3	\$ 49.00	2017-05-06	Hepa Air Cleaner	Cin Quartz
3	\$ 39.99	2017-05-06	Hepa Air Cleaner	Cin Quartz
3	\$ 49.99	2017-05-06	Hepa Air Cleaner	Cin Quartz
	\$ 39.99	2017-05-09	Hepa Air Cleaner	Cin Quartz
3	\$ 39.99	2017-05-09	Hepa Air Cleaner	Cin Quartz
3	\$ 29.99	2017-05-09	Hepa Air Cleaner	Cin Quartz
	\$ 49.99	2017-05-06	Water softner	Excalibur
	\$ 39.99	2017-05-05	Hepa Air Cleaner	Cin Quartz
	\$ 49.99	2017-05-06	Hepa Air Cleaner	Cin Quartz
	\$ 49.99	5/4/2017	Hepa Air Cleaner	Cin Quartz
3	\$ 39.99	2017-04-27	Hepa Air Cleaner	Cin Quartz
	\$ 29.99	2017-05-05	Hepa Air Cleaner	Cin Quartz
	\$ 39.99	2017-05-05	Hepa Air Cleaner	Cin Quartz
	\$ 69.99	2017-05-05	High Efficiency Air Conditioner	Payne
	\$ 39.99	2017-05-05	Hepa Air Cleaner	Fantech
3	\$ 39.99	2017-05-05	Hepa Air Cleaner	Cin Quartz
	\$ 47.23	2017-05-03	Hepa Air Cleaner	Cin Quartz
	\$ 39.99	2017-05-04	Hepa Air Cleaner	Cin Quartz
	\$ 39.99	2017-05-04	HRV	Fantech
3	\$ 39.99	2017-05-03	Water softner	Excalibur
3	\$ 49.99	2017-05-03	Hepa Air Cleaner	Cin Quartz
	\$ 39.99	2017-05-09	Hepa Air Cleaner	Cin Quartz
	\$ 29.99	2017-03-30	Hepa Air Cleaner	Cin Quartz

ASSET MODEL 1	ASSET S/N 1	NET	HST	INVOICE TOTAL
EWS SPREF24	A%H032	\$3,993.55	\$ 519.16	\$4,512.71
EWS SPREF24	A%A030	\$4,075.06	\$ 529.76	\$4,604.82
CQDM Hepa 400-VS	DM224113	\$4,075.06	\$ 529.76	\$4,604.82
CQDM Hepa 400-VS	DM224110	\$3,259.89	\$ 423.79	\$3,683.68
CQDM Hepa 400-VS	DM224112	\$4,075.06	\$ 529.76	\$4,604.82
CQDM Hepa 400-VS	DM224127	\$3,325.11	\$ 432.26	\$3,757.37
CQDM Hepa 400-VS	DM224118	\$3,259.89	\$ 423.79	\$3,683.68
680AIU	FD155982	\$2,444.71	\$ 317.81	\$2,762.52
EWS SPREF24	A%A031	\$4,156.59	\$ 540.36	\$4,696.95
CQDM Hepa 400-VS	DM224116	\$3,325.11	\$ 432.26	\$3,757.37
680AIU	FDR1559832	\$4,156.59	\$ 540.36	\$4,696.95
CQDM Hepa 400-VS	DM224034	\$4,156.59	\$ 540.36	\$4,696.95
CQDM Hepa 400-VS	DM224065	\$3,259.89	\$ 423.79	\$3,683.68
CQDM Hepa 400-VS	DM224114	\$2,493.62	\$ 324.17	\$2,817.79
CQDM Hepa 400-VS	DM224121	\$3,325.11	\$ 432.26	\$3,757.37
4A7A4048L100CAA	17162KFMBF	\$5,819.56	\$ 756.54	\$6,576.10
DM3000P	944402	\$3,325.11	\$ 432.26	\$3,757.37
CQDM Hepa 400-VS	DM224115	\$3,259.89	\$ 423.79	\$3,683.68
CQDM Hepa 400-VS	DM224125	\$3,927.10	\$ 510.52	\$4,437.63
CQDM Hepa 400-VS	DM224099	\$3,325.11	\$ 432.26	\$3,757.37
Flex 100H	1002814012-1217-050	\$3,325.11	\$ 432.26	\$3,757.37
EWS SPREF32	A%A029	\$3,259.89	\$ 423.79	\$3,683.68
CQDM Hepa 400-VS	DM224140	\$4,075.06	\$ 529.76	\$4,604.82
CQDM Hepa 400-VS	DM224119	\$3,325.11	\$ 432.26	\$3,757.37
CQDM Hepa 400-VS	DM224014	\$2,493.62	\$ 324.17	\$2,817.79
		\$89,517.39	#####	#####



**THIS IS EXHIBIT "C"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF JUNE 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

**MURRAY SNIDER**

---

**Subject:** Reserve topup  
**Date:** Thursday, May 18, 2017 at 11:43:28 AM Eastern Daylight Time  
**From:** John Nassar  
**To:** Helen Liu  
**CC:** Divya Rawat, Ecohome-Funding, Faizan Ayaz, Tiffany Cho, Farah Raja, Robeena Sookhan, SMAdil, Tahir Ahmed, Roy Murzello, Christopher Alexander  
**Attachments:** image001.png, UTILECREDIT CORP EFT CONFIRMATION MAY-17-2017 [2].pdf, Consumer Lease Program Agreement (Executed).pdf

Guys, respectfully I don't know who is behind the Cash Reserve Top Up charge on this EFT but its not consistent with our Program Agreement. I have attached the agreement for all to see. The agreement talks about a process and no where in the agreement does it say that Eco can unilaterally make deductions like this. Note:

- Section 2.02(2) talks about an annual review of the Cash Reserve. No such review has been done.
- Section 5.01(b) regarding Notices
- 1.01 Termination Event (ii) re: notices
- Section 2.04 talks about customer buyouts and any amount over the Net Outstanding Balance should not be charge to the customer. If it is then should be to our account.

As it stands now, since payment for the attached contracts has not been made, there is no assignment. Our invoice remains unpaid. We are free to bill and collect from these customers.

Please advise at your earliest convenience.

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 305-399-2633 \*new\*

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Helen Liu <HLiu@ecohomefinancial.com>  
**Date:** Wednesday, May 17, 2017 at 5:19 PM  
**To:** John Nassar <john.nassar@81capital.com>  
**Cc:** Divya Rawat <DRawat@ecohomefinancial.com>, Ecohome-Funding <Fundings@ecohomefinancial.com>, Faizan Ayaz <FAyaz@ecohomefinancial.com>, Tiffany Cho <TCho@ecohomefinancial.com>, Farah Raja <FRaja@dealnetcapital.com>, Robeena Sookhan <RSookhan@ecohomefinancial.com>, SMAdil <SMAdil@gemmacom.com>, SMAdil <SMAdil@gemmacom.com>, Tahir Ahmed <tahmed@dealnetcapital.com>  
**Subject:** EFT

EFT

Best regards,

Helen Liu



[www.ecohomefinancial.com](http://www.ecohomefinancial.com)

[hliu@ecohomefinancial.com](mailto:hliu@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

Vendor ID		Vendor Name		Check Name		Payment Number		Check Date	Check Number	
UTILEC		UTILECREDIT CORP		UTILECREDIT CORP		00000000000005673		5/17/2017	REMIT000000000000010	
Our Voucher Number		Your Voucher Number		Date	Transaction Description	Invoice Number	Amount	Amount Paid	Net	
00000000000018825		2025551		5/17/2017	2025551 WILLIAM BUR	HSE BATCH 81 -1	\$4,291.07	\$0.00	\$0.00	
00000000000018826		2025532		5/17/2017	2025532 PETRA PARRA	HSE BATCH 81 -2	\$2,583.11	\$0.00	\$0.00	
00000000000018827		2025546		5/17/2017	2025546 ZALIMOON MC	HSE BATCH 81 -3	\$3,410.69	\$0.00	\$0.00	
00000000000018828		2025522		5/17/2017	2025522 JANICE CHASE	HSE BATCH 81 -4	\$3,481.11	\$0.00	\$0.00	
00000000000018829		2025548		5/17/2017	2025548 DRAGI STOJKI	HSE BATCH 81 -5	\$3,481.11	\$0.00	\$0.00	
00000000000018830		2025529		5/17/2017	2025529 MARIA BIANCHI	HSE BATCH 81 -6	\$3,481.11	\$0.00	\$0.00	
00000000000018831		2025524		5/17/2017	2025524 JOSE TERCEIRO	HSE BATCH 81 -7	\$3,068.03	\$0.00	\$0.00	
00000000000018832		2025544		5/17/2017	2025544 ANSELM EFFR	HSE BATCH 81 -8	\$2,583.11	\$0.00	\$0.00	
00000000000018833		2025547		5/17/2017	2025547 GARNET BANK	HSE BATCH 81 -9	\$3,481.11	\$0.00	\$0.00	
00000000000018834		2025545		5/17/2017	2025545 PAULINE BOW	HSE BATCH 81 -10	\$3,410.69	\$0.00	\$0.00	
00000000000018835		2025550		5/17/2017	2025550 TINA L WOOLFE	HSE BATCH 81 -11	\$2,530.28	\$0.00	\$0.00	
00000000000018840		UTLCRERES20170517		5/17/2017	UTILECREDIT RESERVE	UTIL RESERVE TOP UP	\$35,801.42	\$35,801.42	\$0.00	
							\$0.00	\$0.00	\$0.00	

**THIS IS EXHIBIT "D"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF JUNE 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

**MURRAY SNIDER**

# **UTILECREDIT CORPORATION**

## **Financial Statements**

**For the period  
From July 24, 2015 (Incorporation Date)  
To December 31, 2015**



**UTILECREDIT CORPORATION**  
**For the period From July 24, 2015 (Incorporation Date)**  
**To December 31, 2015**

**CONTENTS**

	Page
<b>NOTICE TO READER</b>	1
<b>FINANCIAL STATEMENTS:</b>	
Balance sheet	2
Statement of loss and deficit	3
Note to financial statements	4





# EIGENMACHT CRACKOWER

CHARTERED ACCOUNTANTS PROFESSIONAL CORPORATION

345 Renfrew Drive • Suite 202 • Markham, Ontario L3R 9S9

t: 905.305.9722 or 416.607.6468

f: 905.305.9502

info@eigenmachtcrackower.com

www.eigenmachtcrackower.com

## NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Utilecredit Corporation as at December 31, 2015 and the statement of loss and deficit for the period from July 24, 2015 (Incorporation Date) to December 31, 2015.

We have not performed an audit or a review engagement in respect of these financial statements and accordingly, we express no opinion thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

Markham, Ontario

June 24, 2016

Chartered Accountants

Professional Corporation

Authorized to practise public accounting by

The Institute of Chartered Accountants of Ontario



UTILECREDIT CORPORATION  
Balance Sheet  
December 31, 2015  
Unaudited - See Notice to Reader

---

Note

**ASSETS**

**CURRENT**



Cash	\$ 150,873
Accounts receivable	72,733
Commodity taxes recoverable	41,552
Holdback reserves	102,281
Loan receivable	5,000
Prepaid expenses	71,237
	<u>443,676</u>

**EQUIPMENT**

Computer hardware	2,571
Less: accumulated amortization	<u>257</u>
	<u>2,314</u>
	<u><u>\$ 445,990</u></u>

**LIABILITIES**

**CURRENT**

Accounts payable and accrued liabilities	\$ 242,992
 1	
Deferred revenues	5,147
Holdback payables	146,834
	<u>511,114</u>

**SHAREHOLDER'S DEFICIENCY**

CAPITAL STOCK	200
DEFICIT	<u>(65,324)</u>
	<u>(65,124)</u>
	<u><u>\$ 445,990</u></u>

APPROVED ON BEHALF OF THE BOARD

\_\_\_\_\_  
Director



**UTILECREDIT CORPORATION****Statement of Loss and Deficit****For the period from July 24, 2015 (Incorporation Date) to December 31, 2015****Unaudited - See Notice to Reader**

---

<b>REVENUES</b>	<b>\$ 2,345,194</b>
Cost of sales	<u>2,240,134</u>
<b>GROSS PROFIT</b>	<u><b>105,060</b></u>
<b>EXPENSES</b>	
Accounting and bookkeeping	5,000
Advertising	200
Amortization	257
Enbridge fees	3,168
Legal fees	6,518
Management and booking fees	100,000
Office and general	790
Salary and benefits	50,000
Salesmen commissions	<u>4,451</u>
	<u><b>170,384</b></u>
<b>NET LOSS</b>	<u><b>(65,324)</b></u>
<b>DEFICIT, end of period</b>	<u><u><b>\$ (65,324)</b></u></u>



UTILECREDIT CORPORATION  
Note to Financial Statements  
December 31, 2015  
Unaudited - See Notice to Reader

---

1. [REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED]



**UTILECREDIT CORPORATION**

**Financial Statements**

**Year Ended - December 31, 2016**



# UTILECREDIT CORPORATION

Year Ended - December 31, 2016

## CONTENTS

	Page
<b>NOTICE TO READER</b>	1
<b>FINANCIAL STATEMENTS:</b>	
Balance sheet	2
Statement of loss and deficit	3
Note to financial statements	4





# EIGENMACHT CRACKOWER

CHARTERED ACCOUNTANTS PROFESSIONAL CORPORATION

345 Renfrew Drive • Suite 202 • Markham, Ontario L3R 9S9

t: 905.305.9722 or 416.607.6468

f: 905.305.9502

info@eigenmachtcrackower.com

www.eigenmachtcrackower.com

## NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Utilecredit Corporation as at December 31, 2016 and the statement of loss and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

Markham, Ontario

June 20, 2017

Chartered Accountants

Professional Corporation

Authorized to practise public accounting by

The Chartered Professional Accountants of Ontario

**UTILECREDIT CORPORATION**  
**Balance Sheet**  
**December 31, 2016**  
**Unaudited - See Notice to Reader**

	<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash		\$ 326,714	\$ 150,873
Accounts receivable		53,323	72,733
Commodity taxes recoverable		10,991	41,552
Advances to affiliated companies	1	53,859	-
Holdback reserves		740,791	102,281
Loan receivable		-	5,000
Prepaid expenses		23,390	71,237
		<u>1,209,068</u>	<u>443,676</u>
<b>EQUIPMENT</b>			
Computer hardware		2,571	2,571
Less: accumulated amortization		720	257
		<u>1,851</u>	<u>2,314</u>
		<u>\$ 1,210,919</u>	<u>\$ 445,990</u>

<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities		\$ 54,008	\$ 242,992
Deferred revenues		5,147	5,147
Holdback payables		1,089,543	146,834
		<u>1,289,671</u>	<u>511,114</u>

<b>SHAREHOLDER'S DEFICIENCY</b>			
<b>CAPITAL STOCK</b>		200	200
<b>DEFICIT</b>		<u>(78,952)</u>	<u>(65,324)</u>
		<u>(78,752)</u>	<u>(65,124)</u>
		<u>\$ 1,210,919</u>	<u>\$ 445,990</u>

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director



See accompanying note

Doc ID: 7e2443aa60510733e4ec6a45a7522d99a7927e31

**UTILECREDIT CORPORATION**  
**Statement of Loss and Deficit**  
**Year Ended December 31, 2016**  
**Unaudited - See Notice to Reader**

	<u>2016</u>	<u>2015</u>
<b>REVENUES</b>	<b>\$ 12,140,275</b>	<b>\$ 2,345,194</b>
Cost of sales	<u>11,950,723</u>	<u>2,240,134</u>
<b>GROSS PROFIT</b>	<u>189,552</u>	<u>105,060</u>
<b>EXPENSES</b>		
Accounting and bookkeeping	5,000	5,000
Advertising	8,060	200
Amortization	463	257
Bank charges and interest	3,728	129
Consulting fees	1,000	-
Donations	3,000	-
Dues and subscriptions	4,409	-
Enbridge fees (recovery)	(15)	3,168
Legal fees	32,025	6,518
Management and booking fees	100,000	100,000
Office and general	7,660	661
Salary and benefits	10,000	50,000
Salesmen travel and accomodation	10,664	-
Selling costs	9,712	4,451
Service calls	1,370	-
Telephone and internet	6,104	-
	<u>203,180</u>	<u>170,384</u>
<b>NET LOSS</b>	<b>(13,628)</b>	<b>(65,324)</b>
Deficit, beginning of year	<u>(65,324)</u>	<u>-</u>
<b>DEFICIT, end of period</b>	<u><b>\$ (78,952)</b></u>	<u><b>\$ (65,324)</b></u>





UTILECREDIT CORPORATION  
Note to Financial Statements  
December 31, 2016  
Unaudited - See Notice to Reader

---

1. [REDACTED]

[REDACTED]

[REDACTED]		[REDACTED]	
\$	[REDACTED]	\$	-
	[REDACTED]		-
\$	[REDACTED]	\$	-



# **UTILECREDIT CORPORATION**

## **Financial Statements**

**Year Ended - December 31, 2017**

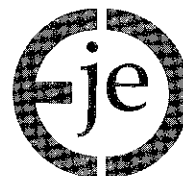


**UTILECREDIT CORPORATION**

**Year Ended - December 31, 2017**

**CONTENTS**

	Page
<b>NOTICE TO READER</b>	1
<b>FINANCIAL STATEMENTS:</b>	
Balance sheet	2
Statement of earnings and deficit	3
Notes to financial statements	4





# EIGENMACHT CRACKOWER

CHARTERED ACCOUNTANTS PROFESSIONAL CORPORATION

345 Renfrew Drive • Suite 202 • Markham, Ontario L3R 9S9

t: 905.305.9722 or 416.607.6468

f: 905.305.9502

info@eigenmachtcrackower.com

www.eigenmachtcrackower.com

## NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Utilecredit Corporation as at December 31, 2017 and the statement of earnings and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

Markham, Ontario

June 15, 2018

Chartered Accountants

Professional Corporation

Authorized to practise public accounting by

The Chartered Professional Accountants of Ontario

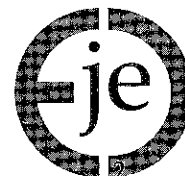
**UTILECREDIT CORPORATION**  
**Balance Sheet**  
**December 31, 2017**  
**Unaudited - See Notice to Reader**

	<u>Notes</u>	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash		\$ 21,236	\$ 326,714
Accounts receivable		-	53,323
Commodity taxes recoverable		7,369	10,991
Advances to affiliated companies	1	41,443	53,859
Holdback reserves		948,319	740,791
Prepaid expenses		-	23,390
		<u>1,018,367</u>	<u>1,209,068</u>
<b>EQUIPMENT</b>			
Computer hardware		2,571	2,571
Less: accumulated amortization		<u>1,090</u>	<u>720</u>
		<u>1,481</u>	<u>1,851</u>
		<u>\$ 1,019,848</u>	<u>\$ 1,210,919</u>
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities		\$ 7,601	\$ 54,008
	2		
Deferred revenues		-	5,147
Holdback payables		942,825	1,089,543
		<u>1,084,311</u>	<u>1,289,670</u>
<b>SHAREHOLDER'S DEFICIENCY</b>			
<b>CAPITAL STOCK</b>		200	200
<b>DEFICIT</b>		<u>(64,663)</u>	<u>(78,951)</u>
		<u>(64,463)</u>	<u>(78,751)</u>
		<u>\$ 1,019,848</u>	<u>\$ 1,210,919</u>

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

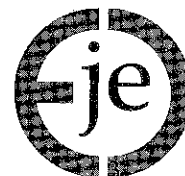
*See accompanying note*



**UTILECREDIT CORPORATION**  
**Statement of Earnings and Deficit**  
**Year Ended December 31, 2017**  
**Unaudited - See Notice to Reader**

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>	<b>\$ 2,556,600</b>	<b>\$ 12,140,275</b>
Cost of sales	<u>2,404,998</u>	<u>11,950,723</u>
<b>GROSS PROFIT</b>	<b><u>151,602</u></b>	<b><u>189,552</u></b>
<b>EXPENSES</b>		
Accounting and bookkeeping	2,600	5,000
Advertising	2,439	8,060
Amortization	370	463
Bad debts expense	2,447	-
Bank charges and interest	322	3,728
Consulting fees	7,265	1,000
Donations	-	3,000
Dues and subscriptions	770	4,409
Enbridge fees (recovery)	-	(15)
Legal fees	633	32,025
Management and booking fees	60,000	100,000
Office and general	5,712	7,660
Salary and benefits	44,907	10,000
Salesmen travel and accomodation	2,394	10,664
Selling costs	2,281	9,712
Service calls	322	1,370
Telephone and internet	<u>4,852</u>	<u>6,104</u>
	<u>137,314</u>	<u>203,180</u>
<b>EARNINGS (LOSS) BEFORE INCOME TAXES</b>	<b><u>14,288</u></b>	<b><u>(13,628)</u></b>
Income taxes - current	3,115	-
Income tax savings arising from application of prior years' losses to current year's earnings	<u>(3,115)</u>	<u>-</u>
	<u>-</u>	<u>-</u>
<b>NET EARNINGS (LOSS)</b>	<b>14,288</b>	<b>(13,628)</b>
Deficit, beginning of year	<u>(78,951)</u>	<u>(65,323)</u>
<b>DEFICIT, end of year</b>	<b><u>\$ (64,663)</u></b>	<b><u>\$ (78,951)</u></b>

See accompanying note



1. [REDACTED]

[illegible]

2. [REDACTED]

\$		\$	
\$		\$	



**UTILECREDIT CORPORATION**

**Financial Statements**

**Year Ended - December 31, 2018**



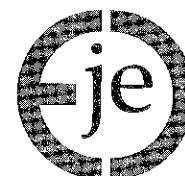


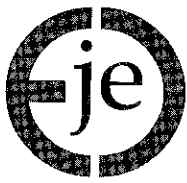
# UTILECREDIT CORPORATION

Year Ended - December 31, 2018

## CONTENTS

	Page
<b>NOTICE TO READER</b>	1
<b>FINANCIAL STATEMENTS:</b>	
Balance sheet	2
Statement of earnings and deficit	3
Notes to financial statements	4





# EIGENMACHT CRACKOWER

CHARTERED ACCOUNTANTS PROFESSIONAL CORPORATION

345 Renfrew Drive • Suite 202 • Markham, Ontario L3R 9S9

t: 905.305.9722 or 416.607.6468

f: 905.305.9502

info@eigenmachtcrackower.com

www.eigenmachtcrackower.com

## NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of Utilecredit Corporation as at December 31, 2018 and the statement of earnings and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

**Markham, Ontario**

**June 27, 2019**

**Chartered Accountants**

**Professional Corporation**

**Authorized to practise public accounting by**

**The Chartered Professional Accountants of Ontario**

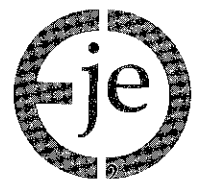
**UTILECREDIT CORPORATION**  
**Balance Sheet**  
**December 31, 2018**  
**Unaudited - See Notice to Reader**

	<u>Notes</u>	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash		\$ 2,605	\$ 21,236
Commodity taxes recoverable		6,927	7,369
Advances to affiliated companies	1	63,758	41,443
Holdback reserves		-	948,319
		<u>73,290</u>	<u>1,018,367</u>
<b>EQUIPMENT</b>			
Computer hardware		-	2,571
Less: accumulated amortization		-	1,090
		<u>-</u>	<u>1,481</u>
		<u>\$ 73,290</u>	<u>\$ 1,019,848</u>
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities		\$ 2,502	\$ 7,603
Holdback payables		-	942,825
		<u>78,184</u>	<u>1,084,312</u>
<b>SHAREHOLDER'S DEFICIENCY</b>			
<b>CAPITAL STOCK</b>		200	200
<b>DEFICIT</b>		<u>(5,094)</u>	<u>(64,664)</u>
		<u>(4,894)</u>	<u>(64,464)</u>
		<u>\$ 73,290</u>	<u>\$ 1,019,848</u>

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

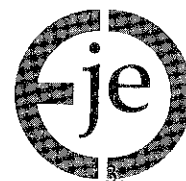
*See accompanying note*



**UTILECREDIT CORPORATION**  
**Statement of Earnings and Deficit**  
**Year Ended December 31, 2018**  
**Unaudited - See Notice to Reader**

	2018	2017
<b>REVENUES</b>		
\$ -	\$ 2,556,600	
Cost of sales	-	2,404,998
<b>GROSS PROFIT</b>	-	151,602
<b>EXPENSES</b>		
Accounting and bookkeeping (recovered)	-	2,600
Advertising	-	2,439
Amortization	296	370
Bad debts expense	5,504	2,447
Bank charges and interest	16	322
Consulting fees	-	7,265
Dues and subscriptions	-	770
Gain on sale of assets	(315)	-
Legal fees	-	633
Management and booking fees	-	60,000
Office and general	-	5,712
Recovery of costs	(68,071)	-
Salary and benefits	-	44,907
Salesmen travel and accomodation	-	2,394
Selling costs	3,000	2,281
Service calls	-	322
Telephone and internet	-	4,852
	(59,570)	137,314
<b>EARNINGS BEFORE INCOME TAXES</b>	59,570	14,288
Income taxes - current	9,000	3,115
Income tax savings arising from application of prior years' losses to current year's earnings	(9,000)	(3,115)
	-	-
<b>NET EARNINGS</b>	59,570	14,288
Deficit, beginning of year	(64,664)	(78,952)
<b>DEFICIT, end of year</b>	\$ (5,094)	\$ (64,664)

See accompanying note



UTILECREDIT CORPORATION  
Note to Financial Statements  
December 31, 2018  
Unaudited - See Notice to Reader

1. [REDACTED]

[REDACTED]

	[REDACTED]	[REDACTED]
\$	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
\$	[REDACTED]	[REDACTED]

2. [REDACTED]

[REDACTED]

	[REDACTED]	[REDACTED]
\$	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]
\$	[REDACTED]	[REDACTED]



# **UTILECREDIT CORPORATION**

## **Financial Statements**

**Year Ended - December 31, 2019**

# **UTILECREDIT CORPORATION**

**Year Ended - December 31, 2019**

## **CONTENTS**

	Page
<b>NOTICE TO READER</b>	1
<b>FINANCIAL STATEMENTS:</b>	
Balance sheet	2
Statement of earnings and deficit	3
Notes to financial statements	4

## **NOTICE TO READER**

On the basis of information provided by management, we have compiled the balance sheet of Utilecredit Corporation as at December 31, 2019 and the statement of earnings and deficit for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

**Markham, Ontario**

**March 27, 2020**

**Chartered Accountants**

**Professional Corporation**

**Authorized to practise public accounting by**

**The Chartered Professional Accountants of Ontario**



**UTILECREDIT CORPORATION**  
**Balance Sheet**  
**December 31, 2019**  
**Unaudited - See Notice to Reader**

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
<b>CURRENT</b>			
Cash		\$ 620	\$ 2,605
Commodity taxes recoverable		-	6,927
Advances to affiliated companies	1	-	63,758
		<u>620</u>	<u>73,290</u>
<b>EQUIPMENT</b>			
		<u>\$ 620</u>	<u>\$ 73,290</u>
<b>LIABILITIES</b>			
<b>CURRENT</b>			
Accounts payable and accrued liabilities		\$ 2,001	\$ 2,501
		<u>0</u>	<u>0</u>
		<u>0</u>	<u>0</u>
<b>SHAREHOLDER'S DEFICIENCY</b>			
<b>CAPITAL STOCK</b>		<b>200</b>	<b>200</b>
<b>DEFICIT</b>		<b>(4,926)</b>	<b>(5,092)</b>
		<u>(4,726)</u>	<u>(4,892)</u>
		<u>\$ (2,724)</u>	<u>\$ 73,290</u>

**APPROVED ON BEHALF OF THE BOARD**

\_\_\_\_\_  
Director

**UTILECREDIT CORPORATION**  
**Statement of Earnings and Deficit**  
**Year Ended December 31, 2019**  
**Unaudited - See Notice to Reader**

	<b>2019</b>	<b>2018</b>
<b>REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GROSS PROFIT</b>	<b>-</b>	<b>-</b>
<b>EXPENSES</b>		
Accounting and bookkeeping (recovered)	(500)	-
Amortization	-	296
Bad debts expense	-	5,504
Bank charges and interest	5	16
Gain on sale of assets	-	(315)
Legal fees	329	-
Recovery of costs	-	(68,071)
Selling costs	-	3,000
	<b>(166)</b>	<b>(59,570)</b>
<b>EARNINGS BEFORE INCOME TAXES</b>	<b>166</b>	<b>59,570</b>
Income taxes - current	-	9,000
Income tax savings arising from application of prior years' losses to current year's earnings	-	(9,000)
	<b>-</b>	<b>-</b>
<b>NET EARNINGS</b>	<b>166</b>	<b>59,570</b>
Deficit, beginning of year	(5,092)	(64,662)
<b>DEFICIT, end of year</b>	<b>\$ (4,926)</b>	<b>\$ (5,092)</b>

**UTILECREDIT CORPORATION**  
**Note to Financial Statements**  
**December 31, 2019**  
**Unaudited - See Notice to Reader**

---

1. [REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
\$ - \$ [REDACTED]  
[REDACTED]  
- [REDACTED]  
- [REDACTED]  
[REDACTED]

2. [REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
\$ - [REDACTED]  
[REDACTED]  
[REDACTED]

**THIS IS EXHIBIT "E"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF JUNE 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

**MURRAY SNIDER**

---

**Subject:** RE: Utilecredit NOSI policy?  
**Date:** Tuesday, October 6, 2015 at 3:50:15 PM Eastern Daylight Time  
**From:** Larry Newstadt  
**To:** John Nassar  
**CC:** M Friedrichs, Carol Ballerda, Robeena Sookhan  
**Attachments:** image001.jpg

Thanks John.

With Thanks

**Larry Newstadt**  
Operations Manager



cell: 416.818.9949  
866.382.7468 ext. 221  
877.689.3863 fax  
[www.ecohomefinancial.com](http://www.ecohomefinancial.com)  
[larry@ecohomefinancial.com](mailto:larry@ecohomefinancial.com)  
[fundings@ecohomefinancial.com](mailto:fundings@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

---

**From:** John Nassar [mailto:john.nassar@81capital.com]  
**Sent:** October-06-15 3:48 PM  
**To:** Larry Newstadt <Larry@ecohomefinancial.com>  
**Cc:** M Friedrichs <Michael@ecohomefinancial.com>; Carol Ballerda <Carol@ecohomefinancial.com>; Robeena Sookhan <Robeena@bluechipleasing.com>  
**Subject:** Re: Utilecredit NOSI policy?

Yes go ahead and take care of the backlog.

Thanks!

John Nassar

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Larry Newstadt  
**Date:** Tuesday, October 6, 2015 at 3:42 PM  
**To:** John  
**Cc:** M Friedrichs, Carol Ballerda, Robeena Sookhan  
**Subject:** RE: Utilecredit NOSI policy?

Hi John

A reminder please John, not heard back from you on this, we are still deducting \$110 from each deal funded. In addition, attached is list of backlog deals no NOSI's deducted (\$1,980.00), you want us to deduct from current funding to get everything up to date?  
Please confirm back?

With Thanks

**Larry Newstadt**  
Operations Manager



cell: 416.818.9949  
866.382.7468 ext. 221  
877.689.3863 fax  
[www.ecohomefinancial.com](http://www.ecohomefinancial.com)  
[larry@ecohomefinancial.com](mailto:larry@ecohomefinancial.com)  
[fundings@ecohomefinancial.com](mailto:fundings@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

---

**From:** Larry Newstadt  
**Sent:** September-28-15 1:23 PM  
**To:** 'John Nassar' <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>  
**Subject:** RE: Utilecredit NOSI policy

Yes John, have registered them already.  
Happy share costs with you from Equifax so you know we are not making anything on it.

With Thanks

**Larry Newstadt**  
Operations Manager



cell: 416.818.9949  
866.382.7468 ext. 221  
877.689.3863 fax  
[www.ecohomefinancial.com](http://www.ecohomefinancial.com)  
[larry@ecohomefinancial.com](mailto:larry@ecohomefinancial.com)  
[fundings@ecohomefinancial.com](mailto:fundings@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

---

**From:** John Nassar [<mailto:john.nassar@81capital.com>]  
**Sent:** September-28-15 1:20 PM  
**To:** Larry Newstadt <[Larry@ecohomefinancial.com](mailto:Larry@ecohomefinancial.com)>; Carol Ballerda <[Carol@ecohomefinancial.com](mailto:Carol@ecohomefinancial.com)>  
**Subject:** Re: Utilecredit NOSI policy

Let me check internally to see if we can do these registrations for less. I assume the ones on the spreadsheet have been processed?

Thanks!

John Nassar  
416-318-1272

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Larry Newstadt  
**Date:** Monday, September 28, 2015 at 1:11 PM

**To:** John, Carol Ballerda  
**Subject:** RE: Utilecredit NOSI policy

Hi John, we just discovered on top of the figures Equifax (the new online system) are charging us an extra \$10 on top of the province fees, as an admin fees, so plus the \$30 prep fees - so we just took an average fees for all provinces of \$110, rather than a different figure for province for ease of each one being different (averages out), you ok with that?

With Thanks

**Larry Newstadt**  
Operations Manager



cell: 416.818.9949  
866.382.7468 ext. 221  
877.689.3863 fax  
[www.ecohomefinancial.com](http://www.ecohomefinancial.com)  
[larry@ecohomefinancial.com](mailto:larry@ecohomefinancial.com)  
[fundings@ecohomefinancial.com](mailto:fundings@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

---

**From:** John Nassar [<mailto:john.nassar@81capital.com>]  
**Sent:** September-28-15 10:13 AM  
**To:** Carol Ballerda <[Carol@ecohomefinancial.com](mailto:Carol@ecohomefinancial.com)>  
**Cc:** Larry Newstadt <[Larry@ecohomefinancial.com](mailto:Larry@ecohomefinancial.com)>  
**Subject:** Re: Utilecredit NOSI policy

Carol, the charges on your list are not consistent with the pricing Larry provided below. Alberta should be at \$95 plus tax. Manitoba should be at \$105 plus tax.

**NOSI Costs:**

1. Equifax Preparation Fee \$30.00, plus:
2. Depending on Province - (for e.g.) :
  - a. Ontario \$60.00
  - b. Alberta \$65.00
  - c. BC \$ 76.00



d. Manitoba \$85.00

Thanks!

John Nassar  
416-318-1272

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Carol Ballerda  
**Date:** Friday, September 25, 2015 at 5:11 PM  
**To:** John  
**Cc:** Larry Newstadt  
**Subject:** FW: Utilecredit NOSI policy

Hi John,

Effective today we deduct NOSI fee to funding deals. Please see attached lists of customers that we registered for NOSI. How do you want us to deduct them?

Thank you,

Carol Ballerda



1.866.382.7468 ext. 255

1.877.689.3863 fax

[www.ecohomefinancial.com](http://www.ecohomefinancial.com)

[carol@ecohomefinancial.com](mailto:carol@ecohomefinancial.com)

---

**From:** John Nassar [<mailto:john.nassar@81capital.com>]  
**Sent:** September-24-15 4:58 PM  
**To:** Larry Newstadt <[Larry@ecohomefinancial.com](mailto:Larry@ecohomefinancial.com)>  
**Subject:** Re: Utilecredit NOSI policy

Yes deduction on funding is fine.

Thanks!

John Nassar  
416-318-1272

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Larry Newstadt  
**Date:** Thursday, September 24, 2015 at 3:21 PM  
**To:** John  
**Subject:** RE: Utilecredit NOSI policy

Hi John, yes whatever was charged is reimbursed when collected.  
Jeff asked me to check with you, rather than invoice you monthly for total NOSI charges, what we do for most other dealers is just deduct it from funding per each deal, that work for you??

With Thanks

**Larry Newstadt**  
Operations Manager



cell: 416.818.9949  
866.382.7468 ext. 221  
877.689.3863 fax  
[www.ecohomefinancial.com](http://www.ecohomefinancial.com)  
[larry@ecohomefinancial.com](mailto:larry@ecohomefinancial.com)  
[fundings@ecohomefinancial.com](mailto:fundings@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

---

**From:** John Nassar [<mailto:john.nassar@81capital.com>]  
**Sent:** September-24-15 10:10 AM  
**To:** Larry Newstadt <[Larry@ecohomefinancial.com](mailto:Larry@ecohomefinancial.com)>  
**Subject:** Re: Utilecredit NOSI policy

Sounds good.

On a related note. When a customer buys out their contract we charge them a fee which includes the cost of the NOSI and its discharge. We then reimburse the dealer the customer admin fee to cover the costs below. Would we be doing the same in your case?

Thanks!

John Nassar  
416-318-1272

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Larry Newstadt  
**Date:** Thursday, September 24, 2015 at 9:54 AM  
**To:** John  
**Subject:** FW: Utilecredit NOSI policy

Hi John, so NOSI Policy as per below, PLEASE CONFIRM BACK:

**NOSI Policy:**

1. On all rental deals sent through we are going to register a NOSI and invoice Utilecredit once a month for the cost.
2. The only time we do NOT register a NOSI is on hot water tanks that are being billed through Enbridge (Only for PAD deals).

**NOSI Costs:**

1. Equifax Preparation Fee \$30.00, plus:
2. Depending on Province - (for e.g.) :
  - a. Ontario \$60.00
  - b. Alberta \$65.00
  - c. BC \$ 76.00
  - d. Manitoba \$85.00

So on average around \$100.00 plus + Taxes, (depending which province.)

**NOSI Billing:**

To be billed monthly to Utilecredit for payment.

With Thanks

**Larry Newstadt**  
Operations Manager



EcoHome

FINANCIAL

FOR A BETTER TOMORROW

cell: 416.818.9949

866.382.7468 ext. 221

877.689.3863 fax

[www.ecohomefinancial.com](http://www.ecohomefinancial.com)

[larry@ecohomefinancial.com](mailto:larry@ecohomefinancial.com)

[fundings@ecohomefinancial.com](mailto:fundings@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

**THIS IS EXHIBIT "F"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF MAY 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

MURRAY SNIDER

---

**Subject:** Re: Blocked Account termination and account closure of Utilecredit Corp  
**Date:** Friday, December 14, 2018 at 3:40:11 PM Eastern Standard Time  
**From:** John Nassar  
**To:** Pfanzelt, Patty  
**Attachments:** image001.jpg, image002.jpg, image003.jpg, image004.jpg, DOC011020-01102020144815.pdf

Please see attached.

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 305-399-2633

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** "Pfanzelt, Patty" <patty.pfanzelt@td.com>  
**Date:** Tuesday, December 11, 2018 at 10:55 AM  
**To:** John Nassar <john.nassar@81capital.com>  
**Subject:** RE: Blocked Account termination and account closure of Utilecredit Corp

John, as you no longer have any active accounts under this entity, we are required to request a new acct questionnaire - to be completed for this Entity.  
Once completed, please arrange to return to me along with a copy of the Articles of Incorporation, so we can start the acct opening process.

Thank you.

Regards,

Patty Pfanzelt, Client Services Officer | **TD Commercial Banking**  
55 King Street West, TD Tower, 3rd Floor, Toronto, ON M5K 1A2  
T: 416 982-4624 | F: 416 982-8684



**We love referrals! If you, your colleagues or friends have any personal or business banking advice needs, I would be happy to assist with a recommendation!**

---

**From:** John Nassar [mailto:john.nassar@81capital.com]  
**Sent:** Tuesday, December 11, 2018 10:05 AM  
**To:** Pfanzelt, Patty  
**Subject:** Re: Blocked Account termination and account closure of Utilecredit Corp

Patty, you may recall we had a blocked account for our company which is now closed. Can we set up a regular account? We need to provide this to Enbridge.

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 305-399-2633

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** "Pfanzelt, Patty" <patty.pfanzelt@td.com>  
**Date:** Friday, October 5, 2018 at 9:38 AM  
**To:** John Nassar <john.nassar@81capital.com>  
**Subject:** RE: Blocked Account termination and account closure of Utilecredit Corp

Yes, this is in reference to the closing for the Utilecredit Corp acct.  
The restrictions on that account are ANY TWO TO SIGN.

This is why the letter to close the entity, requires 2 signatures  
Yourself, along with either Jeffrey Clark or Jenifer Cua

FYI

Regards,

Patty Pfanzelt, Client Services Officer | **TD Commercial Banking**  
55 King Street West, TD Tower, 3rd Floor, Toronto, ON M5K 1A2  
T: 416 982-4624 | F: 416 982-8684



**We love referrals! If you, your colleagues or friends and family have any personal or business banking advice needs, I would be happy to assist with a recommendation!**

---

**From:** John Nassar [mailto:john.nassar@81capital.com]  
**Sent:** Friday, October 05, 2018 9:33 AM  
**To:** Pfanzelt, Patty  
**Cc:** Di Nota, Angie; Armenio, Bianca  
**Subject:** Re: Blocked Account termination and account closure of Utilecredit Corp

Not sure what you mean by ANY TWO of the signers. If the account is not blocked anymore is it not just Utilecredit that has to sign?

Thanks!

John Nassar

CND: 416-318-1272  
USA: 305-399-2633

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** "Pfanzelt, Patty" <patty.pfanzelt@td.com>  
**Date:** Friday, October 5, 2018 at 9:21 AM  
**To:** John Nassar <john.nassar@81capital.com>  
**Cc:** Angie Di Nota <Angie.Dinota@td.com>, "Armenio, Bianca" <Bianca.Armenio@td.com>  
**Subject:** FW: Blocked Account termination and account closure of Utilecredit Corp

John, in order to close the account of Utilecredit Corp, please arrange to have a signed letter of direction sent to my attention –requesting the acct to be closed and a draft prepared or any funds still in the account (less charges).

Given the restrictions on the account, it is mandatory for a letter to be received, signed by ANY TWO of the signers.

Once on hand, we will process, accordingly.  
Thank you.

Regards,

Patty Pfanzelt, Client Services Officer | **TD Commercial Banking**  
55 King Street West, TD Tower, 3rd Floor, Toronto, ON M5K 1A2  
T: 416 982-4624 | F: 416 982-8684



**We love referrals! If you, your colleagues or friends and family have any personal or business banking advice needs, I would be happy to assist with a recommendation**

---

**From:** John Nassar [mailto:john.nassar@81capital.com]  
**Sent:** Friday, October 05, 2018 9:05 AM  
**To:** Di Nota, Angie  
**Cc:** Judy Do  
**Subject:** Re: Blocked Account termination

Angie, can you also close the account please and send us a cheque to cover the balance in the account?

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 305-399-2633



This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Angie Di Nota <Angie.Dinota@td.com>  
**Date:** Friday, October 5, 2018 at 8:45 AM  
**To:** Christopher Alexander <calexander@dealnetcapital.com>, "Pfanzelt, Patty" <patty.pfanzelt@td.com>, John Nassar <john.nassar@81capital.com>  
**Subject:** RE: Blocked Account termination

Hi Christopher,  
We acknowledge receipt of the termination and will remove the block effective immediately.

Thanks,

**Angie Di Nota** | Manager Cash Management | Toronto Commercial Centre | **TD Commercial Banking** |

55 King St. W, 3<sup>Rd</sup> Floor, Toronto, Ontario, M5K 1A2  
T: 416 308 3690 | F: 416 982 4330

**Cash Management Service Officer**

Bianca Armenio | 416.308.3014 | bianca.armenio@td.com

**Cash Management Support Centre:** 416.982.4567 or 1.800.668.7328 | [cms.sup@td.com](mailto:cms.sup@td.com)

*Safeguarding our customers' information is a fundamental principle of TD Bank Group. Email is not considered a secure form of communication as the information sent via email is generally unencrypted. For security reasons, personal data and account numbers have been masked in this email. We recommend that you use caution when sending email messages to us and that you do not include confidential information, such as account numbers or other personal data in those messages.*

---

**From:** Christopher Alexander [mailto:calexander@dealnetcapital.com]  
**Sent:** Monday, October 01, 2018 5:15 PM  
**To:** Di Nota, Angie; Pfanzelt, Patty; John Nassar  
**Subject:** RE: Blocked Account termination

Please see attached.

---

**From:** Di Nota, Angie <Angie.Dinota@td.com>  
**Sent:** Monday, September 24, 2018 4:30 PM  
**To:** Christopher Alexander <calexander@dealnetcapital.com>; Pfanzelt, Patty <patty.pfanzelt@td.com>; John Nassar <john.nassar@81capital.com>  
**Subject:** RE: Blocked Account termination

The secured party - Ecohome Financial Inc notifies the Bank and Company

**Angie Di Nota** | Manager Cash Management | Toronto Commercial Centre | **TD Commercial Banking** |

55 King St. W, 3<sup>Rd</sup> Floor, Toronto, Ontario, M5K 1A2

T: 416 308 3690 | F: 416 982 4330

**Cash Management Service Officer**

Bianca Armenio | 416.308.3014 | [bianca.armenio@td.com](mailto:bianca.armenio@td.com)

**Cash Management Support Centre:** 416.982.4567 or 1.800.668.7328 | [cms.support@td.com](mailto:cms.support@td.com)

*Safeguarding our customers' information is a fundamental principle of TD Bank Group. Email is not considered a secure form of communication as the information sent via email is generally unencrypted. For security reasons, personal data and account numbers have been masked in this email. We recommend that you use caution when sending email messages to us and that you do not include confidential information, such as account numbers or other personal data in those messages.*

---

**From:** Christopher Alexander [<mailto:calexander@dealnetcapital.com>]

**Sent:** Monday, September 24, 2018 4:27 PM

**To:** Di Nota, Angie; Pfanzelt, Patty; John Nassar

**Subject:** RE: Blocked Account termination

Who is the notice required from? EcoHome or Utilecredit?

---

**From:** Di Nota, Angie <[Angie.Dinota@td.com](mailto:Angie.Dinota@td.com)>

**Sent:** Monday, September 24, 2018 4:18 PM

**To:** Pfanzelt, Patty <[patty.pfanzelt@td.com](mailto:patty.pfanzelt@td.com)>; John Nassar <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>; Christopher Alexander <[calexander@dealnetcapital.com](mailto:calexander@dealnetcapital.com)>

**Subject:** RE: Blocked Account termination

Hi John, Christopher,

TD is not requesting that the activation notice be rescinded. We were approached to close an account to which there is a non – activated Block Account Agreement in place, and in order to do so, require a notice of termination as set forth in section 6.5 of the document dated Jan 4, 2016.

Hope this clarifies.

Regards,

**Angie Di Nota** | Manager Cash Management | Toronto Commercial Centre | **TD Commercial Banking** |

55 King St. W, 3<sup>Rd</sup> Floor, Toronto, Ontario, M5K 1A2

T: 416 308 3690 | F: 416 982 4330

**Cash Management Service Officer**

Bianca Armenio | 416.308.3014 | [bianca.armenio@td.com](mailto:bianca.armenio@td.com)

**Cash Management Support Centre:** 416.982.4567 or 1.800.668.7328 | [cms.support@td.com](mailto:cms.support@td.com)

*Safeguarding our customers' information is a fundamental principle of TD Bank Group. Email is not considered a secure form of communication as the information sent via email is generally unencrypted. For security reasons, personal data and account numbers have been masked in this email. We recommend that you use caution when sending email messages to us and that you do not include confidential information, such as account numbers or other personal data in those messages.*

---

**From:** Pfanzelt, Patty

**Sent:** Monday, September 24, 2018 3:34 PM

**To:** John Nassar; Christopher Alexander; Di Nota, Angie

**Subject:** RE: Blocked Account termination

John, this is something that needs to be looked after by your Manager, Cash Management (Angie Di Nota) as this is under the Cash Management Umbrella.

Angie, please and thanks.

Regards,

Patty Pfanzelt, Client Services Officer | **TD Commercial Banking**

55 King Street West, TD Tower, 3rd Floor, Toronto, ON M5K 1A2

T: 416 982-4624 | F: 416 982-8684



**We love referrals! If you, your colleagues or friends and family have any personal or business banking advice needs, I would be happy to assist with a recommendation.**

---

**From:** John Nassar [<mailto:john.nassar@81capital.com>]

**Sent:** Monday, September 24, 2018 3:07 PM

**To:** Christopher Alexander; Pfanzelt, Patty

**Subject:** Re: Blocked Account termination

Patty, I have been exchanging emails with the Secured Party regarding the Blocked Account. Please see email below; can you provide a draft of the termination notice that you require?

Thanks!

John Nassar

CND: 416-318-1272

USA: 305-399-2633

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Christopher Alexander <[calexander@dealnetcapital.com](mailto:calexander@dealnetcapital.com)>

**Date:** Monday, September 24, 2018 at 3:03 PM

**To:** John Nassar <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>

**Subject:** RE: Blocked Account termination

Ok- are they able to prepare a draft of exactly what they need then? I can't rescind an activation notice that wasn't sent.

---

**From:** John Nassar <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>

**Sent:** Monday, September 24, 2018 2:49 PM

**To:** Christopher Alexander <[calexander@dealnetcapital.com](mailto:calexander@dealnetcapital.com)>

**Subject:** Re: Blocked Account termination

No an Activation Notice was not sent. However if you reference the agreement the bank consider non-Activation as Activation. We are unable to close the account regardless.

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 305-399-2633

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Christopher Alexander  
<[calexander@dealnetcapital.com](mailto:calexander@dealnetcapital.com)>  
**Date:** Monday, September 24, 2018 at 2:46 PM  
**To:** John Nassar <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>  
**Subject:** RE: Blocked Account termination

John are you able to check with the bank if an activation notice was ever delivered? Normally we only do them under certain default events, but assuming this was executed, since we never used it it would be odd for us to send in an activation notice.

---

**From:** John Nassar <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>  
**Sent:** Monday, September 24, 2018 2:34 PM  
**To:** Christopher Alexander <[calexander@dealnetcapital.com](mailto:calexander@dealnetcapital.com)>  
**Subject:** Blocked Account termination

Chris, I have attached the Blocked Account Agreement we signed. I spoke to the bank and they need you to send a letter to them, so we can close this account. See section below.

### **Section 3.3 Rescission of Activation Notice**

Notwithstanding any other provision of this Agreement, the Secured Party may, at any time after the delivery of an Activation Notice, deliver a notice to the Bank rescinding such Activation Notice (a “**Rescission Notice**”) and, three (3) Business Days following receipt of a Rescission

Notice, this Agreement shall continue as though no Activation Notice had been delivered, provided that nothing in this Section 3.3 shall preclude the Secured Party from delivering a subsequent Activation Notice.

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 305-399-2633

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

If you wish to unsubscribe from receiving commercial electronic messages from TD Bank Group, please click [here](#) or go to the following web address: [www.td.com/tdoptout](http://www.td.com/tdoptout)  
Si vous souhaitez vous désabonner des messages électroniques de nature commerciale envoyés par Groupe Banque TD veuillez cliquer [ici](#) ou vous rendre à l'adresse [www.td.com/tddesab](http://www.td.com/tddesab)

NOTICE: Confidential message which may be privileged. Unauthorized use/disclosure prohibited. If received in error, please go to [www.td.com/legal](http://www.td.com/legal) for instructions.  
AVIS : Message confidentiel dont le contenu peut être privilégié. Utilisation/divulgarion interdites sans permission. Si reçu par erreur, prière d'aller au [www.td.com/francais/avis\\_juridique](http://www.td.com/francais/avis_juridique) pour des instructions.



## STEP 1 - QUESTIONS WE HAVE

### GENERAL INFORMATION

What is the name of the business and full business address for your company?

Company Name	WILECREDIT CORP
Street	302 THE EAST MALL, SUITE 301
City	ETOBICOKE
Province/Territory	ONTARIO
Postal Code	M9B 6C7
Telephone	416-479-0617
Fax	416-622-7029

Please provide the addresses of all of the physical locations of your business:

	Location 1	Location 2
Street		
City		
Province/Territory		
Postal Code		
Telephone		
Fax		

Who can we contact if we have questions about any of the information above? If primary contact is not a signing officer, please provide a letter of authorization to release banking information. We will require 2 pieces of valid ID.

Name	JOHN NASSAR
Phone No.	416-318-1272

Does your business have an operating name or trade name?

What is the business' operating name?	
What is the business trade name?	

### FOR CHARITABLE BUSINESSES ONLY – (only complete if you are a charitable business)

Does your company collect charitable financial donations from the public?

Yes	<input checked="" type="radio"/> No	
-----	-------------------------------------	--

Is your company a registered charity with the Canada Revenue Agency (CRA)?  
(Select one)

Yes and registered with CRA. What is the business number?

Yes, but not registered with CRA.

☒ No

Is it a not-for-profit company?

Yes	<input checked="" type="radio"/> No	
-----	-------------------------------------	--





# NATURE OF BUSINESS

You must provide enough details so we clearly understand what the business does:

What is the nature of your business?	EQUIPMENT LEASING COMPANY
What services or products do you supply?	FINANCING
What markets do you serve?	ONTARIO
What Countries do you transact business in?	CANADA

Is your company a publicly traded company with > \$75M in assets reported on your last financial statement?

Yes	NO
-----	----

**Source of Funds** (To identify the sources of funds being used to open and operate the new account)

Please select applicable source of funds:

<input checked="" type="checkbox"/> Sale of goods/products/services/revenue	<input type="checkbox"/> Sale of property assets
<input type="checkbox"/> Savings (general)/accumulated wealth	<input type="checkbox"/> Start-up/investment capital
<input checked="" type="checkbox"/> Investment Income	<input checked="" type="checkbox"/> Borrowed funds
<input type="checkbox"/> Government grants	<input type="checkbox"/> Equity funding (ie. IPO-sales of shares)
<input type="checkbox"/> Donations from public -apply only to NFP	<input type="checkbox"/> Membership dues and/or fees

What type and volume of activity do you expect in the new account on a monthly basis?

What is anticipated monthly activity?: (all fields must be completed)

Type of Transaction	No of Transactions	Money In - \$ amount	Money Out - \$ amount
Cash	1000	\$ 100,000	\$ 100,000
Foreign Exchange	0		
Cheque/Drafts	0		
Domestic Wire/EFT	2		
Int'l Wire/EFT	0		
Letter of Credit	0		



### ACCOUNTS YOU WILL REQUIRE

How many accounts do you require? 1

What currencies do you require?

Currency	Indicate number
CAD	
USD	
EURO	
GBP	

What is the purpose of each account? Eg.: Day to day; operation; payroll; trust etc.

ACCOUNT	PURPOSE
ACCOUNT #1	<del>FOR</del> TO RECEIVE DEPOSITS FROM
ACCOUNT #2	ENBRIDGE
ACCOUNT #3	

Is the account being used on behalf of a third party? (We define a third party as anyone other than the account holder or TD Bank Financial Group who will benefit from the account.)

Yes		No	
-----	--	----	--

**CHEQUE ORDERS** Do you require TD to arrange printing of cheques on your behalf? Please note if an outside printer is used cheques will require testing.

Manual Cheques	
Computer Cheques (produced from your desktop or accounting system)	<u>NONE</u>

### SERVICES YOU REQUIRE

Web wire payment services - perform wires on line	
FX - foreign currency rates	
Investment services	
Balance Reporting – online reporting	✓
Online Disbursement Services	
Online collection services	
Cheque Fraud Protection Services	
Merchant Services	
Night Depository Services	
Remote Deposit Capture	

### FOR US\$ ACCOUNTS ONLY

Will you require the cheques to be paid through a US Bank?

NO





## STEP 2 - THINGS WE NEED

### DOCUMENTATION- Proof of Company Existence

1. The Articles of Incorporation
2. The Partnership Agreement
3. Business Incorporation Number (for incorporated businesses only)
4. Trade Style and Registration
5. If the company is registered outside of Ontario please provide an Extra Provincial License.

### SIGNER'S INFORMATION

6. Who are the owners of the business? (Percentage must equal 100%). If the ownership is a company full details are required.
7. 2 Pieces of Identification will be required. Such as: Passport, National Id, Drivers License, Social Insurance #, Credit Cards. *(Health cards and international driver's license cards are not acceptable.)*

Name	Percentage owned
JOHN NASSAR	100 %
Total Must equal	100%

Owners that own 24% or more

Name	Address PO Box is not acceptable)	Trained Occupation	Name of Employer	Title	ID (2 pieces each)	Place of issuance
JOHN NASSAR	2428 HENSALL ST MISS, ONT L5A 2T2	MBA	.	PRESIDENT		ONTARIO

8. Who are the Directors of the business?

Name	Home Address	Trained Occupation	Title	Name of Employer	Company Address
SAME AS ABOVE					

9. Names and titles of each the signer on the account.

Name	Title within the organization	Trained Occupation	Address	Tele #	DOB	Type of ID (2 pieces each)	Place of Issuance

10. What will the signing restrictions on the account be? *eg. Anyone to sign; Both to sign; \$ limits etc.*

Canadian account	
USD Account	

**THIS IS EXHIBIT "G"**  
**TO THE AFFIDAVIT OF JOHN NASSAR**  
**SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF MAY 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

MURRAY SNIDER

---

**Subject:** FW: Volume Rebate Program  
**Date:** Wednesday, April 13, 2016 at 10:16:51 AM Eastern Daylight Time  
**From:** John Nassar  
**To:** Roy Murzello  
**Attachments:** image001.jpg

Roy, are you aware of the arrangements below I had with Jeff? To date we have not received our rebate for February and March. Let me know.

Thanks!

John Nassar  
CND: 416-318-1272  
USA: 617-892-1214

---

This e-mail may be privileged and/or confidential, and the sender does not waive any related rights and obligations. Any distribution, use or copying of this e-mail or the information it contains by other than an intended recipient is unauthorized. If you received this e-mail in error, please advise me (by return e-mail or otherwise) immediately.

---

**From:** Jeffrey Clark <[Jeff@ecohomefinancial.com](mailto:Jeff@ecohomefinancial.com)>  
**Date:** Monday, December 21, 2015 at 3:37 PM  
**To:** John <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>  
**Subject:** RE: Volume Rebate Program

I also will confirm, via a letter agreement, the 0.50% participation in the loan portfolio originated by Utilecredit.

Jeff

---

**From:** Jeffrey Clark  
**Sent:** Monday, December 21, 2015 3:36 PM  
**To:** John Nassar ([john.nassar@81capital.com](mailto:john.nassar@81capital.com)) <[john.nassar@81capital.com](mailto:john.nassar@81capital.com)>  
**Subject:** Volume Rebate Program

Hi John,

When we have the updated program agreement in place, we will begin the volume rebate program. I will formalize this into a signed letter for your records once we are all signed up.

This is a monthly and annual volume based bonus payment that will work as follows:

Monthly Rebate - 0.25% of monthly volume, paid on the 15<sup>th</sup> of the following month.

Annual Rebate - 0.25% of annual volume, paid on January 15<sup>th</sup> of the following year.

This will be based on calendar months with the first monthly period ending January 31, 2016 and the first annual period ending December 31, 2016.

In addition, on January 15, 2016, we will pay an amount equal to 0.50% of the volume generated in the calendar year 2015.

**Jeff Clark**  
Chief Operating Officer



**EcoHome**  
FINANCIAL  
FOR A BETTER TOMORROW

416-614-9237 x203 tel  
416-452-6712 cell  
416-614-2141 fax  
[www.ecohomefinancial.com](http://www.ecohomefinancial.com)  
[jeff@ecohomefinancial.com](mailto:jeff@ecohomefinancial.com)

This e-mail and any attachments may be confidential and is intended to be received and reviewed only by the intended recipient. If you are not the intended recipient, any use, distribution or copying of the information contained in this email or any attachments is unauthorized. If you received this email in error, please notify the sender immediately by return email and delete this email and any attachments from your system.

**THIS IS EXHIBIT “H”  
TO THE AFFIDAVIT OF JOHN NASSAR  
SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF MAY 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

MURRAY SNIDER

HVAC RENTAL AGREEMENT

Homeowner Information

First Name: Last Name: D.O.B: MM / DD / YYYY

Customer 2: Last Name: D.O.B: MM / DD / YYYY

First Name: Last Name: D.O.B: MM / DD / YYYY

Installation Address:

City: Prov: Postal Code:

Tel: ( ) Bus/Cell: ( )

E-Mail:

☐ Mailing / ☐ Previous Address:  
(if different) (if less than 1 year at current address)

CHECK ONE ONLY

☐ Option 1- PAD

Please Select PAD Date Branch # (5 digits) Bank # (3 digits) Account #

☐ 1st or ☐ 15th

You hereby acknowledge that all payments to be made by you under this Agreement will be made by way of Pre-Authorized Debit (PAD), withdrawn monthly on the PAD date selected by you above. A void cheque must be attached to this Agreement.

CUSTOMER EQUIPMENT INFORMATION

Description	New Product Details	Monthly Rental (Plus GST)
<input type="checkbox"/> Furnace/Air Handler		
<input type="checkbox"/> Air Conditioner		
<input type="checkbox"/> Boiler		
<input type="checkbox"/> Water Filtration		
<input type="checkbox"/> Other		

Please see section 5 on reverse side for cost of borrowing and total lease costs.

Term (in months)	Monthly Payment	GST	Total Payment	Commencement Date
120				MM / DD / YYYY OFFICE USE ONLY

You hereby agree to rent the Equipment for the term starting on the Commencement Date. By executing and delivering this Agreement to us, you certify that the information contained herein is true. You authorize us to make any inquiries concerning your credit and you authorize any consumer reporting agency, or any other company with whom you have financial relations, including your employer, to furnish credit information to us. By signing below, you agree that you have read, understand and agree to the Terms and Conditions of this agreement and acknowledge receipt of a copy of this agreement. **YOU ACKNOWLEDGE THAT YOU HAVE READ THE TERMS AND CONDITIONS OF THIS AGREEMENT SET FORTH ON THE REVERSE SIDE AND FOLLOWING PAGES. YOU AGREE THAT SUCH TERMS AND CONDITIONS ARE INCORPORATED INTO AND FORM PART OF THIS AGREEMENT. YOU ACKNOWLEDGE AND AGREE THAT THERE ARE NO OTHER ORAL OR WRITTEN AGREEMENTS BETWEEN US THAT MODIFY, AMEND, REINSTATE OR SUPPLEMENT THE TERMS OF THIS AGREEMENT IN ANY MANNER OTHER THAN AS IMPOSED BY STATUTE WHICH MAY NOT BE VARIED BY CONTRACT.**

“ Your Buyer’s Rights are outlined in the terms and conditions of this Agreement on Page 3 & 4”

☐ HOME OWNER ☐ SPOUSE  
By: Place: Date: MM / DD / YYYY

☐ HOME OWNER ☐ SPOUSE  
By: Place: Date: MM / DD / YYYY

Representative Signature on behalf of UtileCredit Corp.	Representative Name	Representative Number
Preferred Installation Date	Promo Code	Ref #

UtileCredit Corp., 302 The East Mall, Suite 301, Toronto, ON, M9B 6C7. info@utilecredit.com

Terms and Conditions

- 1. Interpretation.** The face page of the Agreement and these Terms and Conditions together, form a lease, and shall herein be referred to collectively as the **"Agreement"** and all defined terms used on the face page are incorporated in these Terms and Conditions. In this Agreement **"you"**, **"your"** and **"customer"** refer to the person renting the Equipment described above. Where there is more than one person named, the same terms refer to all persons named and all obligations of the persons named above under this Agreement shall be joint and several. **"UtileCredit"**, **"us"**, **"we"**, and **"our"** refer to UtileCredit Corp. and its authorized personnel, agents, contractors and assigns.
- 2. Location, Condition, Ownership and Operation of the Equipment; Indemnity.** We do not make any warranty or guarantee with respect to the Equipment, the supplier or the manufacturer, including, without limitation, whether the Equipment is suitable for you. We shall not be responsible if the Equipment is defective or unacceptable for any reason, including a failure in its performance, capacity or operations. To the extent permitted by law, any warranties or guarantees provided under sale of goods legislation are hereby excluded. You acknowledge that the Equipment was supplied directly to you by the supplier and that you have separately received information regarding warranties and service directly from the supplier. You agree to keep the Equipment at the address you provided on the cover page of this Agreement. You shall allow us reasonable access and the right to inspect the Equipment. You agree to keep the Equipment free and clear of all liens and encumbrances of every kind and to keep the Equipment in as good condition as when delivered, reasonable wear and tear excepted. You shall not make any alterations to the Equipment without our prior written consent. Any additions, upgrades, accessories, alterations or replacement to or for the Equipment will become our property and subject to the terms of this Agreement. You will operate the Equipment at your own risk. You agree to indemnify and save us harmless from any claims and damages suffered by us, however caused, arising out of the use of the Equipment. This indemnification obligation will survive termination of this Agreement Ownership of and title to the Equipment will at all times (except upon a sale to you in accordance with Section 8 of this Agreement) remain with us. You have no interest in the Equipment, other than the right to possess, insure and use the Equipment for the Term in accordance with the terms of this Agreement. .
- 3. Personal Property.** You agree that the Equipment shall remain portable or movable personal property, without the need for any other party's consent or waiver to allow us to remove it, even if the Equipment becomes attached to real or immovable property.
- 4. Security Registration.** You hereby grant us an first priority continuing security interest in the Equipment as security for payment of the amounts owing by you to us (the **"Payments"**) under this Agreement. The attachment of security interest has not been postponed. You grant us the right to register the security interest provided under this Agreement against you and against title to the lands where the Equipment is to be located. Unless prohibited by law, you waive your right to receive a copy of such registration where required and you appoint us as your lawful attorney for registration and receipt of notice.
- 5. Payments.-** You must make all payment (the **"Payments"**) required to be made under this Agreement to us in the manner described on the first page of this Agreement starting on the Commencement Date (the **"Commencement Date"**). The Commencement Date is the date that the Equipment shall be delivered and installed. Your obligation to pay when due all amounts under this Agreement shall be absolute and unconditional without any deduction, set-off, abatement, hold back or claim for compensation whatsoever. The monthly rental, {total lease value / capitalized amount}, {total lease costs} and {implicit finance charges}, subject to dealer discounts, are based on the maximum annual percentage rate (APR) of 9.00%, and shall not exceed the maximum amounts of: \$14.99, {\$1,353.60} (\$2,110.24){\$756.64}; \$29.99, {\$2,708.10} (\$4,221.89) {\$1,513.79} ; \$39.99, {\$3,611.10} (\$5,629.66) {\$2,018.56}; \$49.99, {\$4,514.11} (\$7,037.43) {\$2,523.32}; \$59.99, {\$5,417.11} (\$8,445.20) {\$3,028.09}; \$69.99, {\$6,320.11} (\$9,852.96) {\$3,532.85}; Incremental costs: For every \$1.00 change in the monthly rental add {\$90.30} {\$140.78} {\$50.48} accordingly.
- 6. Adjustments to Payments** Payments will increase by 3.5% annually on each anniversary of the Commencement Date and you hereby acknowledge and agree to such increase being applied to Payments without the requirement for us to send you statements reflecting the same. However, you are entitled to contact our customer service number at 1 (866) 225-7204 in order to obtain a statement specifying your current Payments.
- 7. Payment Authorization.** Payments shall be made by you by pre-authorized debit (**"PAD"**). You hereby authorize us to debit the bank account (**"Bank Account"**) identified on the cheque you delivered to us concurrently further information on your right to cancel your PAD, at your financial institution or by visiting [www.cdnpay.ca](http://www.cdnpay.ca). You have certain recourse rights if any debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on your recourse rights, contact your financial institution or visit [www.cdnpay.ca](http://www.cdnpay.ca). **You hereby waive your right to receive pre-notification of the amount of the PAD and agree that you do not require advance notice of the amount of any PAD Payments before a debit is processed.**
- 8. Purchase Option.** You may elect to purchase the Equipment at any time during the Term on an "as is, where is" basis. The purchase price shall be equal to the total present value of all unpaid and future Payments under this Agreement. The present value shall be calculated using a discount factor equal to 6.99% per annum. For more information and to receive your competitive purchase price, please call our toll-free customer service number at 1 (866) 225-7204 prior to the end of the Term. Provided you are not in Default (as defined in Section 10 of this Agreement), you shall have the following options on the last day of the Term: (a) continue to rent the Equipment on a month-to-month basis at the then current Payment amount until the end of the useful life of the Equipment; (b) return the Equipment to us; or (c) purchase the Equipment based on the following: \$150 for a CV/EL; \$250 for PV/PDV or Softener; \$350 for Condensing Tankless; \$450 for a Furnace or A/C; \$700 for a Boiler; \$850 for Boiler combi; and \$25 for each additional add-on. For greater certainty, the immediately preceding amounts shall not exceed the sum of the estimated residual cash payment and the estimated residual value less the relizable value of the Equipment. You must notify us of your intention prior to the expiry of the Term.
- 9. Default Charges.** You shall pay us a charge for returned items, i.e. non-sufficient funds, in an amount equal to the greater of \$50.00 and the actual bank charges incurred by us plus any other amounts allowed by law. In no event shall the total default charges owing by you exceed an amount that exceeds our reasonable costs incurred as a result of your default plus any related court costs and fees.
- 10. Events of Default.** The occurrence of any of the following events shall constitute a default (**"Default"**) under this Agreement: (i) you fail to make any Payment or to pay any other amount under this Agreement when due; (ii) you remove or attempt to remove the Equipment from the address you provided on the cover page of this Agreement without our express prior written consent; (iii) you encumber, transfer ownership of, or sublease the Equipment without our express prior written consent; (iv) you fail to observe any conditions of this Agreement; (v) if you become subject to bankruptcy, insolvency, receivership or similar proceeding under the *Bankruptcy and Insolvency Act*, either voluntarily or involuntarily; (vi) an encumbrancer takes possession of the Equipment or substantial part of your property; (vii) you allow any damage other than that caused by normal wear and tear resulting from proper use of the Equipment; (viii) you are in default under any other contract agreement, or obligation, now existing or hereafter entered into with us or any assignee of ours; (ix) any representation or warranty made by you in connection with this Agreement is untrue or incorrect; or (x) you transfer title to the premises located at the address you provided on the cover page of this Agreement (the **"Premises"**) without purchasing the Equipment in accordance with the terms of Section 8 of this Agreement, unless we have agreed in writing to the assumption of your obligations under the Agreement by the party acquiring title to the Premises.
- 11. Remedies Upon Default.** Upon Default, we may terminate this Agreement and, in addition to any other remedies we have at law or otherwise, we may, without notice, do any or all of the following, separately or together, in any order or combination: (a) enter the Premises (or such premises where we believe The Equipment is located) and repossess and remove the Equipment (and if necessary, disconnect it from any other property). You waive any and all claims for any damages to property or otherwise arising from such repossession; (b) without terminating or being deemed to have terminated this Agreement, upon five (5) days prior written notice to you, we may sell, rent or lease the Equipment in such manner, for such amount and upon such terms as we may reasonably determine and may apply the net proceeds against what you owe to us; and © require you pay immediately on demand damages suffered by us as a result of the termination of this Agreement. Such damages will be, as a genuine pre-estimate of liquidate damages for loss of a bargain and not as a penalty, equal to the aggregate of (i) any outstanding Payments owing as at the date of Default, (ii) the remaining Payments due under this Agreement for the balance of the Term following the date of the Default, and (iii) all costs incurred by us, our assignee or agents in enforcing the terms of this Agreement. We agree to remit to you any amounts collected by us from you or through our re-marketing efforts, collectively in excess of the aggregate amount of liquidated damages described above, provided that the remittance shall not exceed the amount paid by you under this section.
- 12. Damage to Premises.** Upon Default, if we elect to remove the Equipment from the Premises, we shall not be liable in respect of any damages to the Premises resulting from such removal or from any work done in connection with such removal.
- 13. Insurance.** At your expense, you shall maintain, in a form acceptable to us, insurance covering the Equipment. We shall be named as loss payee and the policy shall contain a clause requiring the insurer to give us prior notice of a revision to its provisions or of its cancellation. The total or partial loss of the Equipment or its use or possession shall not relieve you of your obligations and liabilities under the Agreement.
- 14. Equipment Risks.** If the Equipment is lost or damaged beyond repair or is stolen or for any other reason is not available or suitable for return at any time during the Term of this Agreement, you shall notify us of that event and, unless we agree to another arrangement, will immediately on demand pay to us a Casualty Value (as defined below) less the amount of any insurance proceeds paid to us as a result of the event. The **"Casualty Value"** shall be equal to the total present value of all unpaid and future Payments under this Agreement. The present value shall be calculated using a discount factor, at the rate per annum, equal to the lesser of: (a) the yield of the Government of Canada bond with a term most closely matching the remaining Term less 3%; or (b) 3%. Upon payment of the Casualty Value, you shall acquire, without recourse or warranty, all of our right title and interest, if any, in and to the Equipment.

☐ HOME OWNER ☐ SPOUSE

By: \_\_\_\_\_ Place: \_\_\_\_\_ Date: MM / DD / YYYY

☐ HOME OWNER ☐ SPOUSE

By: \_\_\_\_\_ Place: \_\_\_\_\_ Date: MM / DD / YYYY

- 15. Maintenance of Equipment.** You shall be responsible for the normal care and maintenance of the Equipment in accordance with manufacturer's specifications. We may offer this maintenance at its market price, as required. Failure to provide maintenance may void the warranty and you shall be responsible for any costs associated with repairs that result from the lack of maintenance. We may request evidence that you have carried out maintenance on the Equipment.
- 16. Assignment.** We may assign, at our sole discretion at any time and without your consent or notice to you, as and by way of security or absolutely, all or any portion of our rights, title and interest in this Agreement, the Equipment and in the PAD or other payment authorization granted by you, including as security for a loan or other financing arrangement, provided that we may not assign or transfer any PAD authorization granted by you in this Agreement, directly or indirectly, by operation of law or otherwise, without providing at least ten (10) days prior written notice to you. For the purposes of this section "we" shall include any such assignee (an "**Assignee**"). You hereby consent to the delivery by us to any prospective Assignee of such information, including personal information, concerning you as may be in our possession. You may not assign this Agreement without our prior written consent.
- 17. Headings, Sections etc.** The headings, titles and section numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of this Agreement or its effect.
- 18. Further Assurances.** You agree to provide all necessary further assurances, do all acts and sign all documents as we may require from time to time to give effect to this Agreement and to protect our rights hereunder.
- 19. Enforceability.** If any provision of this Agreement is void or unenforceable in any jurisdiction, then, as to that jurisdiction, it is void only to the extent of such provision without invalidating the remaining provisions or the invalid provision with respect to any other jurisdiction.
- 20. Information request.** Information requests by any person(s) other than you shall be verified by us and shall be subject to administration charges as set from time to time by us.
- 21. Electronic form of agreement.** We will retain a copy of this Agreement in electronic form only. The email address provided by you on the cover page of this Agreement is your true email address and you agree that the transmittal of an electronic copy of this Agreement, including by portable document format, shall constitute delivery under the *Fair Trading Act* (Alberta) and applicable law.
- 22. Entire agreement.** This Agreement constitutes the entire agreement between the parties relating to its subject matter.
- 23. Amendment.** This Agreement may only be amended by a written document signed by each of the parties.
- 24. Remedies cumulative.** The rights, remedies, and powers provided to us in this Agreement are cumulative and in addition to, and are not exclusive of or in substitution for, any rights, remedies, and powers otherwise available to us.
- 25. Time of essence.** Time is of the essence.
- 26. Governing law.** This Agreement shall be governed by and construed in accordance with the laws of the Province that you are resident, excluding any rule or principle of conflicts of law that may provide otherwise, and the federal laws of Canada applicable therein.
- 27. Submission to jurisdiction.** The parties irrevocably attorn to the jurisdiction of the courts of the Province where the Customer is located, which will have non-exclusive jurisdiction over any matter arising out of this Agreement.
- 28. Personal Information and Credit Investigation.** You authorize us and our assigns to use and disclose your personal information above to confirm you identity, to evaluate your creditworthiness, to administer this Agreement, to perform internal statistical analysis, and to assign or securitize any amounts payable by you under this Agreement or as otherwise required or permitted by law. You hereby authorize us to conduct financial and credit investigations for purposes of approval, maintenance and enforcement of this Agreement or any judgment obtained by us as a result of any default hereunder and to obtain any information required from any source and each source is hereby authorized to provide such information to us. This includes, but is not limited to us obtaining information from any credit or depository facility. We may obtain such information at any time before or during the Term or after termination of the Agreement in the event any monies remain owing to us. This clause shall survive the Term or termination of this Agreement. All matters surrounding the collection, use and disclosure of your personal information are fully explained in our privacy policy, copy of which is available on our website at [www.utilecredit.com](http://www.utilecredit.com), or upon making a request to us in writing to us at 301 The East Mall, Suite 301, Toronto, Ontario, M9B 6C7.

### Buyer's Right to Cancel

You may cancel this contract from the day you enter into the contract until 10 days after you receive a copy of the contract. You do not need a reason to cancel. If you do not receive the goods or services within 30 days of the date stated in the contract, you may cancel this contract within one year of the contract date. You lose that right if you accept delivery after 30 days. There are other grounds for extended cancellation. For more information, you may contact your provincial / territorial consumer affairs office. If you cancel this contract, the seller has 15 days to refund you your money and any trade-in, or the cash value of the trade-in. You must return the goods. To cancel, you must give notice of cancellation at the address in this contract. You must give notice of cancellation by a method that will allow you to prove that you gave notice, including registered mail, fax or by personal delivery.



**THIS IS EXHIBIT “H”  
TO THE AFFIDAVIT OF JOHN NASSAR  
SWORN BEFORE ME VIRTUALLY THIS 3<sup>RD</sup> DAY OF MAY 2020.**

*Murray Snider*

---

*Commissioner for Taking Affidavits (or as may be)*

MURRAY SNIDER


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

- FORM 33 -

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

In the matter of the notice of intention to make a proposal of  
UTILECREDIT CORP.  
of the City of Toronto, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
2006901 Ontario Inc.	#302 - 301 The East Mall Toronto ON M9B 6C7		17,001.00
EcoHome Financial Inc.	c/o Goodmans LLP 333 Bay St., Suite 3400 Toronto ON M5H 2S7		1,554,763.36
Total			1,571,764.36

  
UTILECREDIT CORP.  
Insolvent Person

and UTILECREDIT CORP. and JOHN NASSAR  
Defendants

ONTARIO  
SUPERIOR COURT OF JUSTICE  
Proceeding commenced at TORONTO

**CHAND SNIDER<sup>LLP</sup>**  
330 Bay Street, Suite 500  
Toronto ON M5H 2S8

**Murray Snider**  
**LSO No. 64990L**  
[msnider@chandsnider.com](mailto:msnider@chandsnider.com)

Lawyers for the Defendants,  
**UTILECREDIT CORP. and**  
**JOHN NASSAR**