

District of Ontario  
Division No. 12 - Ottawa  
Court No. 17-73088  
Estate No. 33-165640

**IN THE MATTER OF THE RECEIVERSHIP OF  
9584358 CANADA LTD.  
o/a EASTWAY FIRE AND RESCUE VEHICLES  
OF THE TOWN OF CARLETON PLACE, THE PROVINCE OF ONTARIO**

**NOTICE AND STATEMENT OF RECEIVER  
(Pursuant to Subsections 245(1) and 246(1) of the Bankruptcy and Insolvency Act)**

The Receiver gives notice and declares that:

1. On the 18<sup>th</sup> day of October, 2017, the undersigned became the Receiver in respect of all of the assets, undertakings and properties of 9584358 Canada Ltd. o/a Eastway Fire and Rescue Vehicles (“**Eastway**” or the “**Company**”), an insolvent person that is described below:

Accounts Receivable	56,000
Inventory	25,000
Machinery and Equipment	60,000
Vehicles	20,000
Work in Process	672,000
<b>TOTAL</b>	<b>\$ 833,000</b>

**\*\*NOTE:** *Figures above represent estimated asset values as at October 19, 2017, and are subject to change. Work in Process reflects expected net realizable value of contracts upon completion.*

2. The undersigned became a receiver as defined in S. 243(2) of the Bankruptcy and Insolvency Act (the “**BIA**”) and pursuant to Section 101 of the Courts of Justice Act, by an Order of Justice Macleod of the Ontario Superior Court of Justice dated October 18, 2017 (the “**Receivership Order**”).
3. Eastway is a designer and manufacturer of built-to-order firetrucks and rescue vehicles.
4. In March, 2016, Eastway acquired certain assets of Eastway911 Emergency Vehicles Ltd. (“**Eastway911**”) through a Court-approved stalking horse sales process. Eastway assumed certain supplier liabilities as part of the transaction. Eastway911 is now a bankrupt corporation.
5. In May, 2017, Eastway acquired certain assets of Arnprior Fire Trucks Corp. (“**AFTC**”) for nominal cash consideration and assumption of certain customer deposit liabilities. Eastway hired the former AFTC employees and entered into a lease for the former AFTC premises located in Arnprior, Ontario where the majority of manufacturing and assembly now takes place.

6. Eastway has a second leased location in Carleton Place, Ontario, which since the AFTC transaction has served primarily as an administrative office and storage facility.
7. Prior to its appointment as Receiver, the Receiver had been appointed as the Interim Receiver (the “**IR**”) of Eastway pursuant to Section 47(1) of the BIA and Section 101 of the Courts of Justice Act pursuant to an Order of Justice Macleod of the Ontario Superior Court of Justice dated June 23, 2017 (the “**IR Appointment Order**”).
8. The IR Appointment Order was made on application by DaVinci Capital Partners Inc. in its capacity as Trustee of the DaVinci Capital Private Debt Fund (the “**Secured Creditor**”). The Secured Creditor is owed approximately \$3.9 million plus accrued interest and costs. A satisfactory independent legal opinion was obtained by the IR.
9. The IR Appointment Order was made for an initial period of 30 days. Upon its appointment, the IR took control of the Debtor’s bank accounts and conducted an evaluation and assessment of the business, its management and staffing, and work in process and contracts.
10. Upon completing its initial assessment of the business, the IR recommended that the Secured Creditor continue to provide funding so that the IR could operate the business, complete and deliver certain work in progress, find buyers for two demonstrator units, and seek out a buyer for the business as a going concern. The IR continued to operate the business as it was authorized to do in the IR Appointment Order.
11. The IR Appointment Order further authorized the IR to market the assets for sale, including advertising and soliciting offers for same, and negotiating such terms and conditions of sale as the IR deemed appropriate.
12. The IR prepared and distributed a detailed Confidential Information Memorandum to interested parties who had first signed a confidentiality agreement. The sales process did not result in suitable offers for the business as a going concern.
13. All of the actions and activities of the IR are set out in its First and Second Reports to Court and have been approved, as follows:
  - The IR filed its first report dated July 6, 2017 (the “**First IR Report**”) for a motion returnable on July 11, 2017. The First Report and a 90 day extension to the IR Appointment Order to October 23, 2017, was approved by an Order of Justice Macleod dated July 11, 2017 (the “**IR Amending Order**”).
  - The IR filed its second report dated October 11, 2017 (the “**Second IR Report**”) for a motion returnable on October 18, 2017. The Second Report was approved and an amendment to the IR Appointment Order to remove the “Interim” label was made in the Receivership Order of Justice Macleod dated October 18, 2017.

14. The Receiver is continuing to operate the business while completing certain work in process and evaluating alternatives for the realization of assets.
15. The following information relates to our appointment:
- i) Address of insolvent person: 100 Industrial Avenue, Unit C, Carleton Place, Ontario, K7C 3T2
  - ii) Principal line of business: Manufacturer of fire trucks and rescue vehicles
  - iii) Locations of business: Carleton Place, Ontario and Arnprior, Ontario
16. The list of creditors of the insolvent person who appear to hold a security interest on the property of the insolvent person and the amount owed to each creditor is listed below.
- DaVinci Capital Partners - \$3.9 million plus interest and costs
17. The list of other creditors of the insolvent person and the estimated amount owed to each creditor and the total amount due by the insolvent person is attached hereto on **Schedule "A"**.
18. Eastway has virtually no unsecured trade creditors as most suppliers require either COD or pre-payment.
19. The liabilities of the Company consist of premises leases (both are paid current); assumed customer deposits associated with the AFTC transaction and supplier liabilities associated with the Eastway911 transaction. All of these parties were previously notified of the appointment of the IR.
20. The realization of the Company's assets, in any form, will not be sufficient to repay the Secured Creditor in full.
21. Contact person for the Receiver:

Link & Associates Inc., Receivers + Trustees  
77 King Street West, Suite 3000  
PO Box 95, Toronto, ON  
M5K 1G8

Attention: Robert Link, CIRP, LIT

Tel: (416) 862-7785  
Fax: (416) 862-2136  
E-mail: [rlink@linkassociates.ca](mailto:rlink@linkassociates.ca)  
Web: [www.linkassociates.ca](http://www.linkassociates.ca)

Notice and Statement of Receiver  
9584358 Canada Ltd. o/a Eastway Fire and Rescue Vehicles

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DATED AT Toronto, Ontario this 26<sup>th</sup> day of October, 2017.

**LINK & ASSOCIATES INC.**

Court Appointed Receiver of 9584358  
Canada Ltd. o/a Eastway Fire and Rescue  
Vehicles and not in its personal or corporate  
capacities

Per: \_\_\_\_\_

Robert Link, CIRP, LIT

**SCHEDULE "A"**  
**Unsecured Creditors**  
**9584358 Canada Ltd. o/a Eastway Fire and Rescue Vehicles**

<b>Name of Creditor</b>	<b>Amount</b>
Hale Products Inc.	60,000
Canada Revenue Agency	1
Northridge Estates	1
Plaintree Systems Inc.	1
Township of Woolwich	1
<b>Total</b>	<b>\$ 60,004.00</b>