

Court File No. CV-23-00710413-00CL

**TRADE X GROUP OF COMPANIES INC., 12771888 CANADA INC., TVAS INC.,
TRADEXPRESS AUTO CANADA INC., TRADE X FUND GP INC., TRADE X LP FUND
I, TRADE X CONTINENTAL INC., TX CAPITAL CORP., TECHLANTIC LTD. AND TX
OPS CANADA CORPORATION**

**TENTH INTERIM REPORT OF FTI CONSULTING CANADA INC., AS
COURT-APPOINTED RECEIVER
(Subsection 246(2) of the *Bankruptcy and Insolvency Act*)**

December 4, 2025

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

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

B E T W E E N

MBL ADMINISTRATIVE AGENT II LLC, as agent for POST ROAD
SPECIALTY LENDING FUND II LP (f/k/a MAN BRIDGE LANE
SPECIALTY LENDING FUND II (US) LP), and POST ROAD SPECIALTY
LENDING FUND (UMINN) LP (f/k/a MAN BRIDGE LANE SPECIALTY
LENDING FUND (UMINN) LP)

Applicant

v.

TRADE X GROUP OF COMPANIES INC., 12771888 CANADA INC., TVAS INC.,
TRADEXPRESS AUTO CANADA INC., TRADE X FUND GP INC., TRADE X LP FUND
I, TRADE X CONTINENTAL INC., TX CAPITAL CORP., TECHLANTIC LTD. AND TX
OPS CANADA CORPORATION

Respondents

**TENTH INTERIM REPORT OF FTI CONSULTING CANADA INC., AS
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(Subsection 246(2) of the *Bankruptcy and Insolvency Act*)**

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A. INTRODUCTION AND PURPOSE

1. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 22, 2023 (the “**Receivership Order**”), FTI Consulting Canada Inc. (“**FTI Consulting**”) was appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, of the following property (collectively the “**Property**”) of Trade X Group of Companies Inc. (“**Trade X Parent**”), 12771888 Canada Inc., TVAS Inc., Tradexpress Auto Canada Inc., Trade X Fund GP Inc., Trade X LP Fund I, Trade X Continental Inc., TX Capital Corp., Techlantic Ltd. and TX Ops Canada Corporation (“**TX Canada**”) (collectively, “**Trade X**” or the “**Debtors**”):
 - (a) the assets, undertakings and properties of the Debtors (other than Trade X Parent and TX Canada) acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof;
 - (b) the assets, undertakings and properties of Trade X Parent (other than the shares of 13517985 Canada Inc. (“**Wholesale Express**”)) acquired for, or used in relation to a business carried on by Trade X Parent, including all proceeds thereof; and
 - (c) certain assets, undertakings and properties of TX Canada defined as the “TX Canada Collateral” in the Affidavit of Westin Lovy sworn December 4, 2023.
2. The application was brought by MBL Administrative Agent II LLC (the “**Agent**” or the “**Applicant**”) as agent for Post Road Specialty Lending Fund II LP (f/k/a Man Bridge Lane Specialty Lending Fund II (US) LP), and Post Road Specialty Lending Fund (UMINN) LP (f/k/a Man Bridge Lane Specialty Lending Fund (UMINN) LP) (together, the “**Lenders**”) pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. C-43, as amended, and shall be referred to herein as the “**Receivership**”.
3. This report is the Tenth Interim Report of the Receiver (the “**Tenth Report**”) prepared pursuant to section 246(2) of the BIA for the period to December 4, 2025. The purpose of this Tenth Report is to provide information to the Court on the following:

- (a) the activities of the Receiver since the Ninth Report of the Receiver dated June 10, 2025 (the “**Ninth Report**”); and
- (b) information about the anticipated next steps and activities of the Receiver in connection with the Receivership.

B. TERMS OF REFERENCE

- 4. In preparing this Tenth Report and making the comments herein, the Receiver has been provided with and has relied upon certain unaudited, draft and/or internal financial information, the motion materials filed in respect of this proceeding, the Debtors’ books and records, and discussions with certain former employees of the Debtors (collectively, the “**Information**”). Future oriented financial information relied upon in the Tenth Report is based on assumptions regarding future events. Actual results achieved may vary from this information and these variations may be material.
- 5. The Receiver has not audited or otherwise verified the accuracy or completeness of the Information in a manner that would, wholly or partially, comply with Generally Accepted Auditing Standards (“**GAAS**”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
- 6. The Receiver has prepared this Tenth Report solely for the use of the Court and the stakeholders in these proceedings and will make a copy of the Tenth Report, and related documents, available on the Receiver’s website at <http://cfcanada.fticonsulting.com/TradeX/> (the “**Receiver’s Website**”).
- 7. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
- 8. Unless otherwise stated herein, capitalized terms not defined in this Tenth Report have the meaning ascribed to them in the Receivership Order.

C. SUMMARY OF THE RECEIVER’S ACTIVITIES

9. A summary of the Receiver’s activities for the period from December 22, 2023 (the “**Receivership Date**”) to June 18, 2024 is included in the Fourth Report of the Receiver dated June 18, 2024 (the “**Fourth Report**”), a summary of the Receiver’s activities for the period from June 19, 2024 to September 20, 2024 is included in the Sixth Report dated September 20, 2024 (the “**Sixth Report**”), a summary of the Receiver’s activities for the period from September 21, 2024 to December 16, 2024 is included in the Eighth Report dated December 16, 2024 (the “**Eighth Report**”), and a summary of the Receiver’s activities for the period from December 17, 2024 to June 10, 2025 is included in the Ninth Report. Set out below is a summary of the Receiver’s activities for the period since the date of the Ninth Report.

Control of and Realization on the Property

10. From and after the Receivership Date, the Receiver took steps to secure possession and control over the Property, including the proceeds, receipts and disbursements arising out of or from the Property. Since the date of the Ninth Report, these steps included, but were not limited to, the following:
- (a) Tax Refunds: The Receiver is continuing to work with the Canada Revenue Agency (the “**CRA**”) with regards to the filing of HST returns and the collection of applicable HST refunds.
 - (b) Operating Costs: The Receiver has continued to pay, on behalf of the Debtors, for certain operating costs relating to the Debtors for services that are required to wind down the estate. These services include technology and cloud hosting services, storage fees for certain physical assets, books and records, and certain other costs.
 - (c) Office Equipment: The Receiver is continuing to maintain one remaining storage space that holds physical books and records of the Debtors.

Stakeholder Inquiries and Communications

11. The Receiver has responded and continues to respond to various stakeholder inquiries in connection with the Receivership. The Receiver has also continued regular communications with the Applicant, in its capacity as a secured lender, in connection with matters relating to the Receivership.

Receiver's Investigations, Forensic Review, and Litigation Matters

12. The investigations, forensic review and litigation matters that have been advanced by the Receiver since the commencement of the Receivership are discussed in detail in the First Report of the Receiver dated February 1, 2024 (the “**First Report**”), the First Supplemental Report to the First Report of the Receiver dated April 3, 2024, the Second Report of the Receiver dated March 27, 2024 (the “**Second Report**”), the Third Report of the Receiver dated May 17, 2024 (the “**Third Report**”), the Fourth Report, the Fifth Report of the Receiver dated August 26, 2024 (the “**Fifth Report**”), the Sixth Report, the Seventh Report of the Receiver dated October 22, 2024 (the “**Seventh Report**”), the Eighth Report and the Ninth Report. Copies of such reports (the “**Prior Reports**”) are available on the Receiver’s Website. Certain of such activities are briefly set out below and otherwise the activities of the Receiver described in such Prior Reports are not repeated herein. This section of the Tenth Report should be read in conjunction with the Prior Reports. In this section, unless otherwise stated, capitalized terms not defined in this section have the meaning ascribed to them in the Prior Reports.

Advancement of Trade X Claims

13. As discussed in the Ninth Report, based on the Receiver’s review and investigation, and conduct of examinations pursuant to the Investigative Powers Orders granted in these proceedings, the Receiver, in consultation with the Applicant, determined to commence a legal action on behalf of the Debtors in respect of claims (the “**Trade X Claim**”) against the following defendants (collectively, the “**Defendants**”):
 - (a) Ryan Davidson for damages or disgorgement of profits for breach of fiduciary duty and damages for negligence;

- (b) Eric Gosselin for damages for breach of fiduciary duty and negligence;
- (c) Patrick Leung for damages for breach of fiduciary duty and negligence;
- (d) CFO Centre Inc. for damages for vicarious liability for the actions of Brent Sawadsky;
- (e) Luciano Butera for damages or disgorgement of profits for breach of fiduciary duty and negligence; and
- (f) Eric Van Essen for damages or disgorgement of profits for breach of fiduciary duty and negligence,

in each case, in respect of the facts set out in the Statement of Claim dated April 4, 2025, filed by the Receiver on behalf of the Debtors, a copy of which is attached as Appendix “A” to the Ninth Report (the “**Trade X Statement of Claim**”). The Trade X Claim against the Defendants is in the amount of \$20,000,000, or an amount to be proven at trial. The Defendants were former officers and/or directors of one or more of the Debtors.

14. In addition, the Applicant filed a statement of claim dated April 30, 2025, with respect to claims by the Agent and the Lenders against the Defendants, among others, a copy of which is attached as Appendix “B” to the Ninth Report (the “**Secured Lenders Statement of Claim**”). The Secured Lenders Statement of Claim sets out claims (the “**Secured Lenders Claim**”) for USD \$17,000,000, or an amount to be proven at trial.
15. The Receiver and the Applicant each sought permission from Justices Kimmel and Osborne, in their capacity as Team Leads of the Commercial List, to transfer the Trade X Claim and the Secured Lenders Claim, respectively, to the Commercial List, which requests were approved.
16. On October 6, 2025, a case conference proceeded before the Court at which the Receiver and the Applicant requested that the two actions be case managed together, for procedural steps, given the substantially overlapping subject matters, facts and parties. Some of the defendants consented and the remaining defendants did not oppose the request.

17. Further procedural and scheduling issues were not addressed at the October 6 case conference and were deferred to be addressed at a future date, in order to allow for the parties to engage in discussions that may resolve certain matters. Those discussions are ongoing.
18. The Receiver will provide further updates in due course, as appropriate, in future reports of the Receiver.

Review of Additional Potential Claims

19. The Receiver is continuing to advance its work relating to additional potential claims the Receiver may seek to assert on behalf of the Debtors for the benefit of their stakeholders (the “**Additional Potential Claims**”). The Receiver will provide further updates in due course, as appropriate, in future reports of the Receiver.

Groupe Grégor Claim

20. As discussed in further detail in the Eighth Report and the Ninth Report, the Receiver (in consultation with and with the support of the Applicant) reached a settlement with the Wholesale Express Monitor with regards to the Groupe Grégor Claim Assignment (the “**Groupe Grégor Settlement**”). The key terms of the Groupe Grégor Settlement are described in the Eighth Report and a copy of the Groupe Grégor Settlement Agreement is attached as Appendix “A” to the Eighth Report.
21. The Groupe Grégor Settlement was approved by Order of the Quebec Court on December 10, 2024, and approved by Order of this Court in the Receivership proceedings on January 16, 2025.
22. Since the approval of the Groupe Grégor Settlement by the Quebec Court and this Court, the Receiver and its counsel have consulted with the Wholesale Express Monitor and its counsel in connection with advancing the Groupe Grégor Claim.
23. On May 2, 2025, the Quebec Court approved a schedule with respect to the Groupe Grégor Proceedings (as set forth in the Ninth Report). The filing of the Wholesale Express Monitor’s Counterclaim (as defined below) was made later than originally scheduled (on

October 9, 2025, rather than August 29, 2025). The Receiver understands that following the filing of the Wholesale Express Monitor’s Counterclaim, the Wholesale Express Monitor and Groupe Grégor agreed on the following revised schedule with respect to the Groupe Grégor Proceedings:

Step	Deadline
Communication of pre-undertakings by Groupe Grégor	May 2, 2025 (completed)
Communication of any remaining pre-undertakings not communicated by the May 2, 2025 deadline	May 23, 2025 (completed)
Filing of the Wholesale Express Monitor’s counterclaim and forensic report (the “ Counterclaim ”)	August 29, 2025 (completed on October 9, 2025)
Transmission of a request for pre-undertakings by Groupe Grégor	December 5, 2025
Communication of pre-undertakings by Wholesale Express Monitor ¹	December 19, 2025
Out-of-court examinations (oral and or written, as appropriate)	By no later than February 6, 2026
Communication of the undertakings following the out-of-court examinations	By no later than February 21, 2026
Filing of Groupe Grégor’s counter forensic report and/or accounting expert report, if applicable	By no later than April 30, 2026, and, in any event, no less than 30 days prior to the trial
Readiness for trial and setting down for trial and judgment	April 1 st , 2026
Trial	TBD

¹ If no request for pre-undertakings is made, all other dates thereafter shall be moved up by 15 days.

D. RECEIPTS & DISBURSEMENTS FOR THE PERIOD TO NOVEMBER 30, 2025

24. The Receiver's receipts and disbursements (a) for the period from December 22, 2023 (the Receivership Date) to May 31, 2024 are discussed in the Fourth Report, (b) for the period from June 1, 2024 to August 31, 2024 are discussed in the Sixth Report, (c) for the period from September 1, 2024 to November 30, 2024 are discussed in the Eighth Report, and (d) for the period from December 1, 2024 to May 31, 2025 are discussed in the Ninth Report. The Receiver's receipts and disbursements for the period from June 1, 2025 to November 30, 2025, are summarized in the table below (and further discussed in Section C above):

Cash Flows from June 1, 2025 to November 30, 2025 in SCAD		Total
Receipts	\$	162,035
14157 - HST Refund		99,483
33160 - Bank interest		12,553
48526 - Deposit Refund		50,000
Disbursements		(303,423)
64080 - Receiver's fees and costs		(54,050)
65127 - Legal fees/disbursements		(168,272)
68870 - HST Paid		(35,104)
80010 - Professional Fees		(35,729)
81155 - Operating Expense		(10,268)
Net Cash Flows	\$	(141,388)
Opening Cash - June 1, 2025		968,839
Net Cash Flows		(141,388)
FX Gains/Losses		2,841
Ending Cash - November 30, 2025	\$	830,293

25. Receipts include the collection of sales tax refunds, interest earned on cash held in the Receiver's accounts, and the return of a retainer from a law firm.
26. Disbursements include the payment of the fees and disbursements incurred by the Receiver and its counsel in the course of performing its duties in the Receivership, professional fees

incurred for the cloud hosting services provided by the forensics team at FTI Consulting as part of the Receiver's investigations, and operating expenses relating to technology and cloud hosting services, storage fees for certain physical assets, books and records, and certain other costs.

E. ONGOING ACTIVITIES IN THE RECEIVERSHIP

27. The Receiver is continuing to advance its mandate pursuant to the Receivership Order. Remaining outstanding matters in the Receivership include:

- (a) realization on remaining Property, including the collection of tax refunds and the sale of sundry assets;
- (b) finalizing the wind-down of the Debtors;
- (c) addressing certain remaining tax matters with the CRA;
- (d) working with the Wholesale Express Monitor with regards to the Groupe Grégor Claim pursuant to the terms of the Groupe Grégor Settlement;
- (e) advancing and pursuing the Trade X Claim; and
- (f) continuing to advance the Receiver's ongoing investigation and review efforts, and based on the results of the Receiver's ongoing investigation and review, assessing whether any Additional Potential Claims ought to be advanced by the Receiver on behalf of the Debtors for the benefit of stakeholders.

28. The Receiver respectfully submits this Tenth Report to the Court.

FTI Consulting Canada Inc.,
solely in its capacity as Court-appointed Receiver of certain
property of Trade X Group of Companies Inc., 12771888 Canada
Inc., TVAS Inc., Tradexpress Auto Canada Inc., Trade X Fund GP
Inc., Trade X LP Fund I, Trade X Continental Inc., TX Capital
Corp., Techlantic Ltd., and TX OPS Canada Corporation, and not in
its personal or corporate capacity



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Senior Managing Director

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Kamran Hamidi
Senior Managing Director

MBL ADMINISTRATIVE AGENT II -and-
LLC

TRADE X GROUP OF COMPANIES
INC. et al

Court File No. CV-23-00710413-00CL

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

**TENTH REPORT OF THE
RECEIVER, FTI CONSULTING
CANADA INC.**

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