

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

THE HONOURABLE MR )  
JUSTICE PENNY )  
FRIDAY, THE 24th  
DAY OF NOVEMBER, 2023

BETWEEN:

**WAYGAR CAPITAL INC., as agent for NINEPOINT CANADIAN SENIOR DEBT  
MASTER FUND L.P.**

Applicant

- and -

**QUALITY RUGS OF CANADA LIMITED, MALVERN CONTRACT INTERIORS  
LIMITED, WESTON HARDWOOD DESIGN CENTRE INC., ONTARIO FLOORING  
LTD., TIMELINE FLOORS INC., AND QUALITY COMMERCIAL CARPET  
CORPORATION**

Respondents

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

**CLAIMS PROCESS ORDER  
(Lien Claims and Trust Claims)**

**THIS MOTION**, made by The Fuller Landau Group Inc. (“**Fuller Landau**”), in its capacity as the court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of Quality Rugs of Canada Limited, Malvern Contract Interiors Limited, Weston Hardwood Design Centre Inc., Ontario Flooring Ltd., Timeline Floors Inc., and Quality Commercial Carpet Corporation (collectively, the “**Debtors**”), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Receiver and the First Report of the Receiver (the “**First Report**”), and on hearing the submissions of counsel for the Receiver, the Applicant, and such other counsel listed on the Counsel Slip,

## **SERVICE**

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

## **DEFINED TERMS**

2. **THIS COURT ORDERS** that, for the purposes of this Order, the following definitions shall apply:

- (a) “**Adjudicator**” means one or more independent individuals with relevant expertise in construction law that may be appointed to review Proofs of Claim and Lien Notices in accordance with this Order;
- (b) “**Amended and Restated Initial CCAA Order**” means the Order issued by the Court in the CCAA Proceedings on September 5, 2023, amending and restating the Initial Order of the Court, dated August 25, 2023, as may be further amended from time to time by this Court;
- (c) “**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended;
- (d) “**Business Day**” means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Toronto, Ontario;

- (e) “**CCAA Proceedings**” means the proceedings in court file number CV-23-00703933-00CL commenced by the Debtors and certain related persons pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36.
- (f) “**Claim**” means a Lien Claim or a Trust Claim, as usage dictates;
- (g) “**Claims Bar Date**” means 5pm local Toronto time on December 21, 2023;
- (h) “**Claimant**” means a Lien Claimant or a Trust Claimant, as usage dictates;
- (i) “**Claims Package**” means a document package that includes a copy of the Notice to Claimants, the Proof of Claim form, the Instruction Letter and such other materials as the Receiver, may consider appropriate or desirable;
- (j) “**Claims Process**” means the claims process established by this Order for proving Claims;
- (k) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (a) “**Dispute Notice**” means a written notice delivered to the Receiver by a Person advising of that Person’s intention to dispute a Notice of Revision or Disallowance, in substantially the form attached as Schedule “E” hereto;
- (b) “**Known Claimant**” means:
  - (i) any Claimant that filed a Lien Notice with the Monitor prior to the issuance of this Order; and

- (ii) any Claimant which, based upon the books and records of the Debtors, supplied materials, labour and/or services to any QSG Project prior to the date of this Order, and was owed monies by one of the more of the Debtors as of the date of this Order which monies remain unpaid in whole or in part;
- (c) “**Instruction Letter**” means the guide to completing the Proof of Claim form, in substantially the form attached as Schedule “B” hereto;
- (d) “**Lien Claim**” means the right of any Person to claim a lien under Provincial Lien Legislation in respect of the supply of labour, materials, and/or services to a QSG Project;
- (e) “**Lien Claimant**” means any Person asserting a Lien Claim under Provincial Lien Legislation;
- (f) “**Lien Notice**” has the meaning given to that term in the Amended and Restated Initial CCAA Order;
- (g) “**Notice to Claimants**” means the notice to Claimants for publication in substantially the form attached hereto as Schedule “A”.
- (h) “**Notice of Revision or Disallowance**” means a notice advising a Person that all or part of such Person's Claim set out in such Person's Proof of Claim has been revised or disallowed, in whole or in part, in substantially the form attached as Schedule “D” hereto;

- (i) **“Person”** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, governmental authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (j) **“Proof of Claim”** means the proof of claim to be completed and filed by a Claimant, in the form attached as Schedule “C” hereto, and which shall include all supporting documentation in respect of the Claimant’s Claim, details of any liens registered by the Claimant against a QSG Project, copies of any bonded off liens the Claimant has related to a QSG Project, and copies of any Lien Notices provided by the Claimant to the Monitor;
- (k) **“Proven Claim”** means a Lien Claim or a Trust Claim to the extent that it has been finally determined in accordance with the terms of this Order;
- (l) **“Provincial Lien Legislation”** means the *Construction Act*, RSO 1990, c. C.30, *Builders’ Lien Act*, RSA 2000, c B-7, *Prompt Payment and Construction Lien Act*, RSA 2000, c P 26.4, *Builders Lien Act*, SBC 1997, c 45, all as amended, and any similar provincial lien legislation applicable to a QSG Project in any Canadian province. Unless the context requires otherwise, in this Order, use of the term “Provincial Lien Legislation” refers to the Provincial Lien Legislation governing in the province in which the applicable QSG Project is situated;

- (m) “**QSG Project**” means a construction project or improvement to which one of the Debtors has supplied labour, materials, and/or services;
- (n) “**Trust Claim**” means the right of any Person to claim a trust under Provincial Lien Legislation for all amounts:
  - (i) owing to the Debtors, whether or not due or payable; or
  - (ii) received by the Debtors, the Monitor or the Receiver;on account of services, materials or work supplied to a QSG Project; and
- (o) “**Trust Claimant**” means any Person asserting a Trust Claim under Provincial Lien Legislation.

### **NOTICE TO CLAIMANTS**

3. **THIS COURT ORDERS** that the Receiver shall, as soon as practicable following the issuance of this Order:

- (a) publish the Notice to Claimants in The Globe and Mail (National Edition), and in the Daily Commercial News by Construct Connect (a leading construction trade newspaper);
- (b) post a copy of the Claims Package on the Receiver’s website; and
- (c) send a Claims Package to each of the Known Claimants.

**PROOFS OF CLAIM AND CLAIMS BAR DATE**

4. **THIS COURT ORDERS** that a Claimant wishing to assert a Claim shall deliver to the Receiver a Proof of Claim on or before the Claims Bar Date or such later date as the Receiver may agree in writing or the Court may otherwise direct.

5. **THIS COURT ORDERS** that the Claims of all Persons who have, or could have, a Lien Claim or a Trust Claim and who do not deliver a Proof of Claim to the Receiver by the Claims Bar Date shall be forever extinguished and barred, and all such Persons shall be deemed to have fully and finally released and discharged all such Claims against the Debtors. Further, any Person with a Claim who fails to deliver a Proof of Claim to the Receiver:

(a) shall not be entitled to receive further notice with respect to the Claims Process;  
and

(b) shall not be permitted to participate in any distribution on account of such Claim(s).

6. **THIS COURT ORDERS** that, unless otherwise directed by the Receiver, any Lien Claimants and Trust Claimants who provided a Lien Notice to the Monitor and wish to assert a Claim are required to file a Proof of Claim respecting their Lien Claim and Trust Claim, as applicable, on or before the Claims Bar Date. A Proof of Claim must be filed in respect of every Claim, regardless of whether or not a legal proceeding in respect of a Claim has been previously commenced.

## **REVIEW OF PROOFS OF CLAIM AND LIEN NOTICES**

7. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed rights and obligations under the BIA, and any and all orders made in these proceedings, is hereby directed and empowered to, (a) administer the Claims Process, including the determination of Claims, and (b) appoint one or more Adjudicators to determine any Claims, and may take such other actions and fulfill such other roles as are contemplated by this Order.

8. **THIS COURT ORDERS** that the Receiver may refer the review of any Proof of Claim or Lien Notice to the Adjudicator, on notice to the applicable Claimant.

9. **THIS COURT ORDERS** that the Receiver or the Adjudicator, as applicable, shall review all Proofs of Claim and Lien Notices, including without limitation as to the validity, quantum or priority of the Claim, and the Receiver and the Adjudicator shall be entitled to allow, revise or disallow, in whole or in part, the Claims set out therein.

10. **THIS COURT ORDERS** that the Receiver or the Adjudicator, as applicable, shall, before disallowing a Claim, in whole or in part, permit a Claimant five (5) days (subject to the Receiver or Adjudicator agreeing to extend such time) to provide additional documentation and/or submissions in respect of its Proof of Claim.

11. **THIS COURT ORDERS** that where a Proof of Claim is not fully compliant with this Order, the Receiver or the Adjudicator, as applicable, shall have the discretion whether to allow such Proof of Claim, in whole or in part, despite such non-compliance.



12. **THIS COURT ORDERS** that where a Claim has been accepted by the Receiver or the Adjudicator, as applicable, in accordance with this Order, such Claim shall constitute a Proven Claim. The Adjudicator shall advise the Receiver of any such determination.

13. **THIS COURT ORDERS** that, where a Proof of Claim is revised or disallowed by the Receiver or the Adjudicator, in whole or in part, the Receiver or the Adjudicator, as applicable, shall deliver to the Claimant a Notice of Revision or Disallowance as soon as reasonably practicable. A copy of any Notice of Revision or Disallowance delivered by the Adjudicator shall also be provided to the Receiver.

#### **DISPUTE NOTICE**

14. **THIS COURT ORDERS** that a Claimant who intends to dispute a Notice of Revision or Disallowance shall deliver a Dispute Notice to the Receiver so that it is received by the Receiver no later than fourteen (14) calendar days after such Claimant is deemed to have received the Notice of Revision or Disallowance in accordance with this Order, or such longer period as may be agreed to by the Receiver in writing.

15. **THIS COURT ORDERS** that where a Claimant fails to deliver a Dispute Notice in accordance with this Order, the amount and status of such Claimant's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance. Such amount and status, if any, shall constitute such Claimant's Proven Claim, and the balance of such Claimant's Claim, if any, shall be forever barred and extinguished.

#### **RESOLUTION OF DISPUTED CLAIMS**

16. **THIS COURT ORDERS** that as soon as practicable after a Dispute Notice is received by the Receiver in accordance with this Order, the Receiver may attempt to resolve and settle the disputed Claim with the Claimant.

17. **THIS COURT ORDERS** that in the event that a dispute raised in a Dispute Notice in respect of a Claim is not settled within a reasonable time period or in a manner satisfactory to the Receiver and the applicable Claimant, the Receiver shall, on notice to the disputing Claimant, schedule an appointment with the Court for the purpose of scheduling a motion to seek a determination by the Court of the disputed Claim, at which appointment directions will be sought from the Court on the process for such determination.

#### **NOTICES AND COMMUNICATIONS**

18. **THIS COURT ORDERS** that, except as set out in this Order, any notice or other communication to be given pursuant to this Order by the Receiver to a Claimant shall be in writing, and delivered by prepaid ordinary mail, courier, personal delivery, or electronic mail to the Claimant to such physical or electronic address for such Claimant as may be recorded in the books of the Debtors and/or the Receiver or set out in such Claimant's Proof of Claim. Any such notice or other communication, (i) if given by prepaid ordinary mail, shall be deemed received on the fifth (5th) Business Day after mailing within Canada and the tenth (10th) Business Day after mailing internationally; (ii) if given by courier or delivery shall be deemed received on the next Business Day following dispatch, (iii) if given by electronic mail before 5:00 PM (local Toronto time) on a Business Day shall be deemed received on such Business Day, and (iv) if given by

electronic mail after 5:00 PM (local Toronto time) on a Business Day shall be deemed received on the following Business Day.

19. **THIS COURT ORDERS** that any notice or other communication to be given under this Order by a Claimant to the Receiver shall be in writing and will be sufficiently given only if delivered by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic mail addressed to:

The Fuller Landau Group Inc.  
Court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.  
151 Bloor Street West, 12th floor  
Toronto, Ontario M5S 1S4  
Attention: Ken Pearl  
Fax: 416.645.6501  
Email: kpearl@fullerllp.com

Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt thereof by the Receiver during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.

## **GENERAL**

20. **THIS COURT ORDERS** that the form and substance of each of the Notice to Claimants, Instruction Letter, Proof of Claim, Notice of Revision or Disallowance and Dispute Notice, substantially in the forms attached to this Order are hereby approved. Notwithstanding the foregoing, the Receiver may from time to time make changes to such forms as the Receiver considers necessary or advisable.

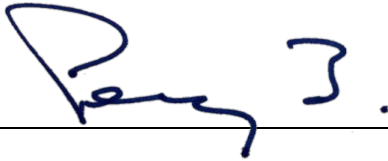
21. **THIS COURT ORDERS** that any Claim denominated in foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate in effect as of August 25, 2023.

22. **THIS COURT ORDERS** that, in discharging its obligations under this Order, the Receiver, and any Adjudicator appointed under this Order, (i) shall have all of the protections given to a receiver under the BIA, this Order and any other orders of the Court in these proceedings; (ii) shall incur no liability or obligation as a result of carrying out the provisions of this Order and their obligations hereunder; (iii) shall be entitled to rely on the books and records of the Debtors and any information provided by the Debtors, all without independent investigation; and (iv) shall not be liable for any claims, costs or damages resulting from any errors or omissions in such books, records or information.

23. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in respect of the discharge of its powers and duties hereunder, or to assist any Adjudicator appointed hereunder.

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

to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

  
\_\_\_\_\_

**SCHEDULE "A"**

**NOTICE TO CLAIMANTS**

Court File No. CV-23-00703874-00CL

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

BETWEEN:

**WAYGAR CAPITAL INC., as agent for NINEPOINT CANADIAN SENIOR DEBT  
MASTER FUND L.P.**

Applicant

- and -

**QUALITY RUGS OF CANADA LIMITED, MALVERN CONTRACT INTERIORS  
LIMITED, WESTON HARDWOOD DESIGN CENTRE INC., ONTARIO FLOORING  
LTD., TIMELINE FLOORS INC., AND QUALITY COMMERCIAL CARPET  
CORPORATION**

Respondents

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

**NOTICE OF CLAIMS PROCESS ORDER AND CLAIMS BAR DATE  
(Lien Claims and Trust Claims)**

**NOTICE IS HEREBY GIVEN** that, pursuant to an Order of the Ontario Superior Court of Justice (Commercial List), dated November 24, 2023 (the "**Claims Process Order**"), The Fuller Landau Group Inc., in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**") of Quality Rugs of Canada Limited, Malvern Contract Interiors Limited, Weston Hardwood Design Centre Inc., Ontario Flooring Ltd., Timeline Floors Inc., and Quality Commercial Carpet Corporation (collectively, the "**Debtors**"), has been authorized to administer a claims process for the purpose of identifying and determining certain claims against the Debtors. Capitalized terms used in this Notice and not otherwise defined have the meaning ascribed to them in the Claims Process Order (a copy of which is available on the Receiver's Website).

**PLEASE TAKE NOTICE** that the Claims Process applies to Lien Claims and Trust Claims. Any creditor who has not received a Claims Package and who believes that he or

she has a Lien Claim and/or Trust Claim against one or more of the Debtors must contact the Receiver in order to obtain a Proof of Claim form.

**THE CLAIMS BAR DATE is 5:00 p.m. (Toronto Time) on December 21, 2023.** Proofs of Claim must be completed and filed with the Receiver using the procedures required in the Claims Process Order so that they are received by the Receiver on or before the Claims Bar Date.

**HOLDERS OF CLAIMS WHO DO NOT FILE A PROOF OF CLAIM BY THE CLAIMS BAR DATE SHALL BE FOREVER EXTINGUISHED AND BARRED FROM ASSERTING THEIR CLAIMS AGAINST THE DEBTORS AND THEIR CLAIMS SHALL BE FOREVER EXTINGUISHED AND BARRED.**

**CLAIMANTS REQUIRING INFORMATION** or claims documentation may contact the Receiver. The Receiver's contact details are

**THE FULLER LANDAU GROUP INC.**

Court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.  
151 Bloor St W, 12th Floor  
Toronto, ON M5S 1S4

**Ken Pearl**

Tel: 416-645-6519

Email: [kpearl@fullerllp.com](mailto:kpearl@fullerllp.com)

**SCHEDULE "B"**

**INSTRUCTION LETTER**

Court File No. CV-23-00703874-00CL

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

BETWEEN:

**WAYGAR CAPITAL INC., as agent for NINEPOINT CANADIAN SENIOR DEBT  
MASTER FUND L.P.**

Applicant

- and -

**QUALITY RUGS OF CANADA LIMITED, MALVERN CONTRACT INTERIORS  
LIMITED, WESTON HARDWOOD DESIGN CENTRE INC., ONTARIO FLOORING  
LTD., TIMELINE FLOORS INC., AND QUALITY COMMERCIAL CARPET  
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Respondents

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

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**INSTRUCTION LETTER**

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**CLAIMS PROCESS**

Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List), dated November 24, 2023 (the "**Claims Process Order**"), The Fuller Landau Group Inc., in its capacity as Court-appointed receiver and manager (in such capacity, the "**Receiver**") of Quality Rugs of Canada Limited, Malvern Contract Interiors Limited, Weston Hardwood Design Centre Inc., Ontario Flooring Ltd., Timeline Floors Inc., and Quality Commercial Carpet Corporation, (collectively, the "**Debtors**"), has been authorized to conduct a claims process (the "**Claims Process**"). A copy of the Claims Process Order and other public information concerning these proceedings can be obtained from the Receiver's website at: [https://fullerllp.com/active\\_engagements/quality-sterling-group/](https://fullerllp.com/active_engagements/quality-sterling-group/).



This letter provides general instructions for completing a Proof of Claim form. Capitalized terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claims Process Order.

The Claims Process is intended to identify and determine the amount of Lien Claims and Trust Claims against the Debtors. Please review the Claims Process Order for the full terms of the Claims Process.

All notices and inquiries with respect to the Claims Process should be directed to the Receiver by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below:

**THE FULLER LANDAU GROUP INC.**

Court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.  
151 Bloor St W, 12th Floor  
Toronto, ON M5S 1S4

**Ken Pearl**

Tel: 416-645-6519

Fax: 416.645.6501

Email: [kpearl@fullerllp.com](mailto:kpearl@fullerllp.com)

**FOR CLAIMANTS SUBMITTING A PROOF OF CLAIM**

If you believe that you have a Claim against one or more of the Debtors, you must complete and file a Proof of Claim form with the Receiver.

All Proofs of Claim must be received by the Receiver before 5:00 p.m. (Toronto Time) on December 21, 2023 (the "**Claims Bar Date**"). Any Claims for which you have not filed a Proof of Claim by the Claims Bar Date shall be forever extinguished and barred against the Debtors.

When completing the Proof of Claim form, please be ensure to include the exact legal name of the Debtor that you are asserting a Claim against (e.g., Quality Rugs of Canada Limited) and attach all supporting documentation (including invoices and purchase orders), details of any liens registered against a QSG Project, copies of any bonded off liens in respect of your Claim and a copy of any Lien Notices provided to the Monitor.

All Claims denominated in a foreign currency shall be converted to Canadian Dollars at the Bank of Canada noon exchange rate in effect as of August 25, 2023.

**ADDITIONAL FORMS**

Additional Proof of Claim forms can be obtained from the Receiver's website at [https://fullerllp.com/active\\_engagements/quality-sterling-group/](https://fullerllp.com/active_engagements/quality-sterling-group/) or by contacting the Receiver.

DATED this 24th day of November, 2023.

**SCHEDULE “C”**

**PROOF OF CLAIM FORM  
(Lien and/or Trust Claims)**

Court File No. CV-23-00703874-00CL

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

BETWEEN:

**WAYGAR CAPITAL INC., as agent for NINEPOINT CANADIAN SENIOR DEBT  
MASTER FUND L.P.**

Applicant

- and -

**QUALITY RUGS OF CANADA LIMITED, MALVERN CONTRACT INTERIORS  
LIMITED, WESTON HARDWOOD DESIGN CENTRE INC., ONTARIO FLOORING  
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**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND  
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*COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

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**PROOF OF CLAIM (TRUST CLAIMS & LIEN CLAIMS)**

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In the matter of the receivership of Quality Rugs of Canada Limited, Malvern Contract Interiors Limited, Weston Hardwood Design Centre Inc., Ontario Flooring Ltd., Timeline Floors Inc., and Quality Commercial Carpet Corporation (collectively, the “**Debtors**”).

**1. PARTICULARS OF CLAIMANT**

(a) Full Legal Name of Claimant: \_\_\_\_\_

(b) Full Mailing Address of Claimant: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(c) Telephone Number of Claimant: \_\_\_\_\_

(d) Facsimile Number of Claimant: \_\_\_\_\_

(e) E-mail Address of Claimant: \_\_\_\_\_

(f) Attention (Contact Person): \_\_\_\_\_

**2. PARTICULARS OF ORIGINAL CLAIMANT FROM WHOM YOU ACQUIRED THE CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes  No   
(if yes, attach documents evidencing assignment)

a. Full Legal Name of Original creditor(s): \_\_\_\_\_

**3. PROOF OF CLAIM**

**THE UNDERSIGNED CERTIFIES AS FOLLOWS:**

That I [am a Claimant/hold the position of \_\_\_\_\_ of the Claimant]  
[select applicable] and have knowledge of all the circumstances connected with the Claim described herein.

That I have knowledge of all the circumstances connected with the Claim described and set out below.

\_\_\_\_\_ [insert Debtor name(s)] was and is still indebted to the Claimant as follows:

*(When completing the Proof of Claim form, please be ensure to include the exact legal name of the Debtor that you are asserting a Claim against (i.e. Quality Rugs of Canada Limited). Any Claims denominated in a foreign currency shall be filed in such currency and will be converted to Canadian Dollars at rates set out in the Claims Process Order. If there is insufficient space below, please attach a schedule with additional Claims.)*

	<b>Class of Claim</b> <i>(Lien Claim or Trust Claim)</i>	<b>Name of Debtor</b> <i>(full legal name)</i>	<b>Name of Owner and Project Address</b>	<b>Date(s) of Supply</b>	<b>Amount of Claim</b>
1					\$
2					\$
3					\$
4					\$
5					\$
<b>TOTAL AMOUNT OF CLAIMS</b>					\$

**4. BOND INFORMATION (leave blank if not relevant)**

In respect of this debt, I believe I am a beneficiary of a [Performance Bond / Labour and Material Bond / Other], bearing Bond Number \_\_\_\_\_ *[Insert Bond Number]*, with a total bond amount of \$ \_\_\_\_\_ *[Insert Amount of Bond, if known]*, issued by \_\_\_\_\_ *[Insert Name of Surety]*.

**5. PARTICULARS OF CLAIM:**

The particulars of the undersigned's total Lien Claims and Trust Claims are attached.

*(Provide full particulars of the Claim(s) and all supporting documentation, including the legal name of the Debtor(s) you are asserting a Claim against, the amount, description of transaction(s) or agreement(s) giving rise to the Claim(s), name of any guarantor(s) which has guaranteed the Claim(s), and amount of Claim(s) allocated thereto, date, number and copies of all invoices and purchase orders, and particulars of all credits, discounts, etc. claimed. Copies of any Lien Notices provided to the Monitor, details of any liens registered by*

*the Claimant against at QSG Project and copies of any bonded off liens related to a QSG Project must also be attached.)*

**6. FILING OF CLAIM:**

This Proof of Claim must be returned to and received by the Receiver by 5:00 p.m. (Toronto Time) on or before the Claims Bar Date (December 21, 2023).

Completed forms must be delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email to the Receiver at the following addresses:

**THE FULLER LANDAU GROUP INC.**

Court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.  
151 Bloor St W, 12th Floor  
Toronto, ON M5S 1S4

**Ken Pearl**

Tel: 416-645-6519  
Fax: 416.645.6501  
kpearl@fullerllp.com

Date: \_\_\_\_\_

\_\_\_\_\_ (name of Claimant)

By: \_\_\_\_\_  
(signature of Claimant/Representative)

Name:

Title:

I have authority to bind the Claimant

**SCHEDULE “D”**

**NOTICE OF REVISION OR DISALLOWANCE**

Court File No. CV-23-00703874-00CL

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

BETWEEN:

**WAYGAR CAPITAL INC., as agent for NINEPOINT CANADIAN SENIOR DEBT  
MASTER FUND L.P.**

Applicant

- and -

**QUALITY RUGS OF CANADA LIMITED, MALVERN CONTRACT INTERIORS  
LIMITED, WESTON HARDWOOD DESIGN CENTRE INC., ONTARIO FLOORING  
LTD., TIMELINE FLOORS INC., AND QUALITY COMMERCIAL CARPET  
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**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND  
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*COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

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**NOTICE OF REVISION OR DISALLOWANCE**

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TO: \_\_\_\_\_

The Receiver or Adjudicator, as applicable, has reviewed your Proof of Claim dated \_\_\_\_\_, 20\_\_\_\_, and Lien Notice(s), if applicable, and has revised or disallowed your Claim(s), in whole or in part, for the following reasons:

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Subject to further dispute by you in accordance with the provisions of the Claims Process Order, your Claim(s) will be allowed as follows:

<b>Debtor</b>	<b>Lien Claim per Proof of Claim</b>	<b>Disallowed</b>	<b>Allowed (as revised)</b>

<b>Debtor</b>	<b>Trust Claim per Proof of Claim</b>	<b>Disallowed</b>	<b>Allowed (as revised)</b>

If you intend to dispute this Notice of Revision or Disallowance, you must notify the Receiver of such intent by delivery to the Receiver of a Dispute Notice in accordance with the Claims Process Order, such that it is received by the Receiver by 5:00 p.m. no later than fourteen (14) calendar days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission or email:

**THE FULLER LANDAU GROUP INC.**

Court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.  
151 Bloor St W, 12th Floor  
Toronto, ON M5S 1S4

**Ken Pearl**

Tel: 416-645-6519  
Fax: 416.645.6501  
kpearl@fullerllp.com

If you do not deliver a Dispute Notice in accordance with the Claims Process Order, the value of your Claim(s) shall be deemed to be as set out in this Notice of Revision or Disallowance.

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**SCHEDULE “E”**

**DISPUTE NOTICE**

Court File No. CV-23-00703874-00CL

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

BETWEEN:

**WAYGAR CAPITAL INC., as agent for NINEPOINT CANADIAN SENIOR DEBT  
MASTER FUND L.P.**

Applicant

- and -

**QUALITY RUGS OF CANADA LIMITED, MALVERN CONTRACT INTERIORS  
LIMITED, WESTON HARDWOOD DESIGN CENTRE INC., ONTARIO FLOORING  
LTD., TIMELINE FLOORS INC., AND QUALITY COMMERCIAL CARPET  
CORPORATION**

Respondents

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

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**DISPUTE NOTICE**

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**1. PARTICULARS OF CLAIMANT**

(g) Full Legal Name of Claimant: \_\_\_\_\_

(h) Full Mailing Address of Claimant: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



(i) Telephone Number of Claimant: \_\_\_\_\_

(j) Facsimile Number of Claimant: \_\_\_\_\_

(k) E-mail Address of Claimant: \_\_\_\_\_

(l) Attention (Contact Person): \_\_\_\_\_

**2. DISPUTE OF REVISION OR DISALLOWANCE OF CLAIM:**

*(Any Claim(s) denominated in a foreign currency shall be filed in such currency and will be converted to Canadian dollars at the rate set out in the Claims Process Order.)*

We hereby disagree with the value of our Claim(s) as set out in the Notice of Revision or Disallowance dated \_\_\_\_\_, as set out below:

<b>Class of Claim</b> <i>(Trust or Lien Claim)</i>	<b>Debtor</b> <i>(provide full legal name)</i>	<b>Claim as Allowed or Revised per Notice of Revision or Disallowance</b>	<b>Claim per Claimant</b>
		\$	\$
		\$	\$
		\$	\$
		\$	\$

*(Insert particulars of Claim(s) per Notice of revision or Disallowance, and the value of your Claim(s) as asserted by you.)*

**3. REASONS FOR DISPUTE:**

*(Provide full particulars of the Claim(s) and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices and purchase orders, and particulars of all credits, discounts, etc. claimed. The particulars provided must support the value of the Claim, as stated by you in item 2 above.)*

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If you intend to dispute the Notice of Revision or Disallowance, you must notify the Receiver of such intent by delivery to the Receiver of a Dispute Notice in accordance with the Claims Process Order such that it is received by the Receiver by 5:00 p.m. no later than fourteen (14) calendar days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission or email:

The Receiver:

**THE FULLER LANDAU GROUP INC.**

Court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.

151 Bloor St W, 12th Floor

Toronto, ON M5S 1S4

**Ken Pearl**

Tel: 416-645-6519

Fax: 416.645.6501

kpearl@fullerllp.com

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**WAYGAR CAPITAL INC., as agent for NINEPOINT  
CANADIAN SENIOR DEBT MASTER FUND L.P.  
Applicant**

- and -

**QUALITY RUGS OF CANADA LIMITED, et al.**

**Applicant**

**Respondents**

<p style="text-align: center;"><i>ONTARIO</i> <b>SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</b></p> <p style="text-align: center;">PROCEEDING COMMENCED AT TORONTO</p>	<p style="text-align: center;"><b>CLAIMS PROCESS ORDER</b></p>
<p><b>DENTONS CANADA LLP</b> 77 King Street West, Suite 400 Toronto-Dominion Centre Toronto, ON M5K 0A1</p> <p><b>Kenneth Kraft</b> (LSO # 31919P) Tel: 416-863-4374 Fax: 416 863-4592 <a href="mailto:kenneth.kraft@dentons.com">kenneth.kraft@dentons.com</a></p> <p><b>Sara-Ann Wilson</b> (LSO # 56016C) Tel: (416) 863-4402 <a href="mailto:sara.wilson@dentons.com">sara.wilson@dentons.com</a></p> <p><i>Lawyers for The Fuller Landau Group Inc. in its capacity court-appointed receiver and manager of Quality Rugs of Canada Limited, et al.</i></p>	