Information:

The City of Hamilton (City), Community Services Department had two contracts with Share the Warmth (STW):

- C10-08-06 – Administration of Utilities Arrears Program to Low Income Applicants
- C10-22-06 – Energy Conservation Program for Low Income Citizens (City of Hamilton)

Due to several concerns and complaints, including the delinquency of paying client accounts within 30 days, staff completed a performance review on STW in the early part of 2008.

On August 7, 2008, staff provided a private and confidential verbal report to the Committee of the Whole (CoW) with regard to the existing contract with STW.

Contract #C10-22-06 ended in December 2007 without STW providing adequate documentation to support the project.

Contract #C10-08-06 was terminated in October 2008. Staff calculated that $18,214.00 was owed to the City by STW. The amount owed was based on the total amount paid by the City to STW, less STW’s actual expenditures on utility grants and administration...
for 2007 and 2008. As part of the Termination and Mutual Release, STW agreed to repay the City no later than April 16, 2010. The contracts were terminated and repayment schedules negotiated. On May 11, 2009, Report CS09036 Utilities Arrears Assistance Program and Energy Conservation Contract Update, a confidential report, outlined the rationale for the termination of two contracts between the City and STW. Report CS09036(a) provides an update to Report CS09036.

On April 28, 2009, staff was telephoned by the Trustee who indicated that STW had filed for bankruptcy protection. The Trustee requested payment of the outstanding balance of $10,389.00 that STW stated the City owed on Contract #C10-22-06. The City was also notified to file as a creditor for $18,213.00 with regard to Contract #C10-08-06. After negotiations, the Trustee agreed to the City only paying half of the debt owed to STW ($5,195.00) and remaining a creditor for the full $18,213.00.

The bankruptcy proceedings were completed on January 5, 2010. It was determined that a dividend of $690.44, 3.8% of $18,213.00 owed by STW, be returned to the City. See Appendix A to Report CS09036(a) for details of the bankruptcy calculations. The $690.44 is lower than was originally estimated, as the Trustee’s expenses were higher than expected. However, the Trustee’s expenses were reasonable in the circumstances, particularly given the disarray of STW’s finances.

As the City has received payment of $690.44 from the Trustee on behalf of STW on July 19, 2010, no further action is required.

**APPENDICES / SCHEDULES**

Appendix “A” to Report CS09036(a): Warmth For All Charitable Corporation – Taxation of Trustee’s Accounts
Appendix "A" to Report CS09036(a)  
Page 1 of 7

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of creditor</th>
<th>Address</th>
<th>Unsecured Claim</th>
<th>Balance of Claim Un</th>
<th>Total Claim</th>
</tr>
</thead>
</table>
| 1   | 2093319 Ontario Ltd Attn: Gregory Chang | 360 Bay Street, Suite 900  
Toronto ON M6H 2V8 | 4,615.61 | 0.00 | 4,615.61 |
| 2   | Bob Bach | Suite 200  
294 Richmond Street East  
Toronto ON M6A 1PS | 1.00 | 0.00 | 1.00 |
| 3   | CANADA CUSTOMS AND REVENUE AGENCY | 5800 HURONTARIO STREET  
P.O. BOX 6000  
Mississauga ON L5A 4E9 | 342.81 | 0.00 | 342.81 |
| 4   | City of Hamilton Attn: Kerry L. Lubrick | 2255 Barton Street East  
Community Services Department, Benefit Eligibility Division  
Hamilton ON L8H 7T4 | 18,539.00 | 0.00 | 18,539.00 |
| 5   | City of Thunder Bay Attn: Mary Lucas | 34 Northumberland Street, 4th Floor  
Thunder Bay ON P7A 6B9 | 4,306.51 | 0.00 | 4,306.51 |
| 6   | Cowperthwaite Mehta Attn: Barb Scott | 187 Gerrard St. East  
Toronto ON M6A 2E5 | 2,700.00 | 0.00 | 2,700.00 |
| 7   | Straight Edge Painting | 120 Evans Ave  
Toronto ON M8Z 1J3 | 4,500.00 | 0.00 | 4,500.00 |
| 8   | Telus Communications | PO Box 7575  
Vancouver BC V6B 8N9 | 858.99 | 0.00 | 858.99 |
| 9   | The Regional Municipality of Niagara Attn: Dave Pelette | PO Box 344  
2201 St. David's Road  
Thorold ON L2V 3Z3 | 24,378.00 | 0.00 | 24,378.00 |

Total: 60,441.92 | 0.00 | 60,441.92

Date: 27-Apr-2009

Sanjay Kothiyal  
Officer
List "E"
Debts Due to the Bankrupt

Warrants For All Charitable Corporation

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of debtor</th>
<th>Address and Occupation</th>
<th>Nature of debt</th>
<th>Amount of debt (good, doubtful, bad)</th>
<th>Folio of ledgers or other book where particulars to be found</th>
<th>When contracted</th>
<th>Estimated to produce</th>
<th>Particulars of any securities held for debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Accounts Receivable</td>
<td>1 Hughson Street North, 3rd Floor</td>
<td>City of Hamilton</td>
<td>10,389.60</td>
<td></td>
<td>01-Jan-2006</td>
<td>5,000.00</td>
<td>Accounts Receivable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hamilton ON L8R 3L5</td>
<td></td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,389.60</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Accounts Receivable</td>
<td>2201 Speers Road Oakville ON L5L 2X9</td>
<td>Internet Secure - Elevon Canada Company</td>
<td>579.76</td>
<td></td>
<td>01-Jan-2009</td>
<td>579.76</td>
<td>Accounts Receivable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Accounts Receivable</td>
<td>100 Wynford Drive Don Mills ON M6C 4B4</td>
<td>Bell Canada</td>
<td>1,000.00</td>
<td></td>
<td>01-Jan-2009</td>
<td>500.00</td>
<td>Accounts Receivable</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>500.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>11,969.36</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,079.76</td>
</tr>
</tbody>
</table>

Total: 11,969.36

|                      |                                      |                      |                                      |                                      |                      | 6,079.76 |

27-Apr-2009

Date

Sanjay Katty
Officer
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY)

IN THE MATTER OF THE BANKRUPTCY OF
WARMTH FOR ALL CHARITABLE CORPORATION
OF THE CITY OF TORONTO
IN THE PROVINCE OF ONTARIO

AFFIDAVIT

I, Ken Pearl, of the city of Vaughan, in the Province of Ontario, make oath and say THAT:

1. I am a licensed trustee in bankruptcy of BDO Dunwoody Limited, Trustee of the estate of Warmth for all Charitable Corporation. ("Share the Warmth"), a bankrupt and as such have knowledge of the matters hereinafter deposed to;

2. Warmth for all Charitable Corporation ("Share the Warmth") started operations approximately 13 years ago with the goal of assisting low income families, the elderly and the disabled in Ontario to pay their winter heating bills.

3. Share the Warmth's insolvency resulted from the following:

   The reduced funding from the various social service agencies, combined with unexpected increases in demand for energy assistance (due to the rising cost of energy and the economic downturn) led to funding gaps, which had traditionally been covered by surplus revenue from Share the Warmth's annual Hockey Challenge Event. However, for the first time in 2008, the Hockey Challenge Event incurred a loss. At the same time, Share the Warmth experienced a general decline in public donations, which prevented Share the Warmth from making up the gap in funding. Accordingly, by the summer of 2008, Share the Warmth was faced with a substantial shortfall in available funds to meet approved and committed amounts to provide energy assistance, as well as its ongoing operating costs. It became clear to the Board of Directors (the "Board"), that as a result of the significant decline in corporate sponsorships and public donations Share the Warmth was left with no reasonable prospects of being able to fund its continuing operations, pay for its obligations, and meet its mandate, and as a result the Board authorized the filing of an assignment in bankruptcy.

4. The following matters and special services and business are to be considered for a just and adequate remuneration of the Trustee in connection with this estate:

   • Review correspondence files, A/R reports Review proofs of claim to prepare list of creditors prepare sign up docs.

   • Discussions with BMO regarding receiving bank account funds, review notice to creditors, review background to A/R with Sanjay Kutty, the designated offer of the Bankrupt.

   • Review and approve advertisement for bankruptcy in Globe & Mail.
- Discussion with City of Hamilton regarding collection of the amount due to the Bankrupt; confirm name of insurer to add to creditors list.

- Discussion with Flora Ballarin of BMO to request freezing of accounts.

- Discussion with Steve Dickson counsel to City of Hamilton regarding amount due from City of Hamilton.

- Discussion Mickey Cruikshank, counsel for Niagara Region regarding submitting proof of claim and proxy.

- Respond to inquiry from creditor(Regional Municipality of Niagara) regarding status of administration, review proof of claim received and ask Sandra to contact creditor to provide supporting schedule.

- Contact Internet Secure and Bell Canada regarding amounts due to the Bankrupt. Review response from Internet Secure.

- Prepare minutes of 1st meeting of creditors and 1st meeting of inspectors and send to inspector for signature; send response from Bell Canada to Sanjay Katty to reconcile amount due.

- Update draft inspectors minutes, review updated R&D and claims register and send copies to the Inspector for review prior to meeting of Inspector. Respond to inquiry on timing of dividend distribution from City of Hamilton. Hold inspector meeting to obtain inspector resolutions regarding approving trustee’s activities to date, payment of trustee’s interim account, authorizing trustee to send notice to creditors of final dividend pursuant to section 149 of BIA.

- Discussion with Straight Edge Painting regarding sending in missing supporting schedule to proof of claim.

- Discussions with Sanjay Katty regarding review tax form and request for filing of T2046 return following revocation of charitable status.

- Discussion with CRA rep regarding bankruptcy and completing T2046 return, revocation of charitable status prepare T2046 and send copies of assignment, and notice to creditors to CRA.

5. Various usual services were provided by the Trustee, which included preparation of statutory filing documents, filing documents with the Official Receiver, preparation of a Statement of Affairs, mailing of notices, notification in local newspaper, preparation of Trustee’s Preliminary Report to creditors, review of claims filed, correspondence with creditors, attendance at creditors meetings, attendance at inspectors meetings, preparation of the Trustee’s Final Statement of Receipts & Disbursements.
6. The time incurred with respect to the foregoing administration of this bankruptcy estate is as follows:

<table>
<thead>
<tr>
<th>Rate</th>
<th>Hours</th>
<th>Fees</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>401.64</td>
<td>26.90</td>
<td>10,804.00</td>
<td>Pearl, Ken</td>
<td>Trustee</td>
</tr>
<tr>
<td>225.00</td>
<td>1.10</td>
<td>247.50</td>
<td>Dutschek, Greg</td>
<td>Administrator</td>
</tr>
<tr>
<td>130.08</td>
<td>2.60</td>
<td>338.20</td>
<td>Dula, Lou</td>
<td>Accounting</td>
</tr>
<tr>
<td>125.00</td>
<td>1.00</td>
<td>125.00</td>
<td>Botticella, Carmela</td>
<td>Office</td>
</tr>
<tr>
<td>75.00</td>
<td>0.75</td>
<td>56.25</td>
<td>Sturrock, Christine</td>
<td>Office</td>
</tr>
<tr>
<td>32.35</td>
<td></td>
<td>3,000.00</td>
<td>Prepare Final SRD, obtain Comment Letter, apply for taxation, Notice of trustee's discharge, distribute dividends, close bank account and apply for Trustee's Discharge</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>12,539.65</td>
<td>Sum Total</td>
<td></td>
</tr>
</tbody>
</table>

$15,539.65 As per R&D

Note:
As staff members' rates varied during the course of the administration (due to salary adjustments), the "Rate" in the above schedule is a calculated average.

7. The Final Statement of Receipts and Disbursements of the estate of Warmth for all Charitable Corporation together with this Affidavit is made in support of an application to this Honourable Court for approval of our fees as Trustee of the estate in the amount of $15,539.65 plus G.S.T.

SWORN BEFORE ME at the
City of Toronto
this 22nd day of January, 2010

[Signature]
A Commissioner etc. in and For the Province of Ontario

Gary Vincenzo Cerrato, a Commissioner, etc., Province of Ontario, for BDO Canada LLP, Chartered Accountants and Consultants and BDO Canada Limited, Trustee in Bankruptcy, and their subsidiaries, associates and affiliates. Expires April 19, 2011.
FORM 12
Final Statement of Receipts and Disbursements
(Other than Summary Administration and Consumer Proposals)
(Section 152 of the Act)

In the matter of the bankruptcy of
WARMTH FOR ALL CHARITABLE CORPORATION
in the city of Toronto, in the province of Ontario

RECEIPTS:

1. Asset Realization
   - Cash in bank: 13,160.86
   - Accounts receivable: 6,319.16

TOTAL RECEIPTS: 19,509.85

DISBURSEMENTS:

2. Fees Paid:
   - To registrar: 150.00
   - To official receiver: 150.00

3. Notice of first meeting:
   - Local paper: 618.56
   - Notices: 33.00
   - Postage: 10.78

4. Notice of final dividend and trustee discharge:
   - Notices: 12.50
   - Postage: 2.70

5. Inspector:
   - Fees: 20.00

6. Trustee's remuneration:
   - Trustee's fees: 15,539.65
   - GST charged on Trustee remuneration: 776.99

7. Federal and Provincial taxes:
   - GST paid on disbursements exclusive of fees: 39.11

8. Miscellaneous:
   - Bank charges: 15.00
   - Redirection of mail: 120.00

TOTAL DISBURSEMENTS: 17,488.29

Amount available for distribution: 2,021.56

9. Levy payable under section 147 of the Act: 101.08

10. Unsecured creditors:
    - Proved claims of: 51,566.48
    - Final dividend: 3.92% of 2,021.56 less levy: 101.08

Notes:
On 27 April 2009, the company filed an Assignment for the General Benefit of Creditors.
**DIVIDEND SHEET**

In the matter of the bankruptcy of
WARMTH FOR ALL CHARITABLE CORPORATION
in the city of Toronto, in the province of Ontario

<table>
<thead>
<tr>
<th>Unsecured</th>
<th>Total</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003319 Ontario Ltd</td>
<td>5,015.16</td>
<td>196.61</td>
</tr>
<tr>
<td>Suite 300</td>
<td></td>
<td>9.63</td>
</tr>
<tr>
<td>55 Adelaide Street East</td>
<td></td>
<td>186.78</td>
</tr>
<tr>
<td>Toronto ON M5C 1K6</td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>City of Hamilton</td>
<td>18,539.00</td>
<td>736.78</td>
</tr>
<tr>
<td>2256 Barton Street East</td>
<td></td>
<td>35.34</td>
</tr>
<tr>
<td>Community Services</td>
<td></td>
<td>890.44</td>
</tr>
<tr>
<td>Department, Benefit Eligibility</td>
<td></td>
<td>0.00</td>
</tr>
<tr>
<td>Division Hamilton ON L8H 7T4</td>
<td></td>
<td>725.78</td>
</tr>
<tr>
<td>District of Thunder Bay Social Services Administration Board</td>
<td>3,534.32</td>
<td>142.48</td>
</tr>
<tr>
<td>34 H Cumberland Street, 4th Floor</td>
<td></td>
<td>7.12</td>
</tr>
<tr>
<td>Thunder Bay ON P7A 8G9</td>
<td>135.36</td>
<td>0.00</td>
</tr>
<tr>
<td>The Regional Municipality of Niagara</td>
<td>24,378.00</td>
<td>965.69</td>
</tr>
<tr>
<td>PO Box 344</td>
<td>47.79</td>
<td>907.90</td>
</tr>
<tr>
<td>2201 St. David's Road</td>
<td>0.00</td>
<td>907.90</td>
</tr>
<tr>
<td>Thorold ON L2V 3Z3</td>
<td></td>
<td>47.79</td>
</tr>
</tbody>
</table>

Total: 51,566.48

Grand Totals: 51,566.48

Date declared: December 16, 2009