Court File No.

IGNITE GROUP

PRE-FILING REPORT OF KPMG INC., IN ITS CAPACITY AS PROPOSED MONITOR

October 27, 2023

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Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C.1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF IGNITE HOLDINGS INC., IGNITE SERVICES INC., and IGNITE INSURANCE CORPORATION

Applicants

PRE-FILING REPORT OF KPMG INC.
In its capacity as Proposed Monitor of the Applicants

October 27, 2023

I. INTRODUCTION

1. KPMG Inc. ("**KPMG**" or the "**Proposed Monitor**") understands that Ignite Holdings Inc. ("**Ignite Holdings**"), Ignite Services Inc. ("**Ignite Services**" or the "**Company**") and Ignite Insurance Corporation ("**Ignite Insurance**" and together with Ignite Holdings and Ignite Services, the "**Applicants**", or the "**Ignite Group**") intend to make an application (the "**CCAA Application**") before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") returnable on October 30, 2023, seeking an order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") to obtain a stay of proceedings in favour of the Applicants until November 9, 2023, and to seek other related relief, with a view to allowing the Ignite Group an opportunity to implement the sale of their business for the benefit of their stakeholders. The Applicants' CCAA proceedings are referred to herein as the "**CCAA Proceedings**".

2. On the CCAA Application, the Applicants will also be seeking to appoint KPMG as the CCAA monitor in the CCAA Proceedings (in such capacity, the "**Monitor**").

II. PURPOSE OF REPORT

3. KPMG, in its capacity as Proposed Monitor, has reviewed the court materials filed by the Applicants in support of the CCAA Application. The purpose of this pre-filing report (the "**Pre-Filing Report**") of the Proposed Monitor is to provide information to the Court pertaining to:

   (a) KPMG's qualifications to act as Monitor (if appointed) in the CCAA Proceedings;

   (b) summary background information on the Applicants, including an overview of the Applicants' corporate structure, business, operations, financial situation, and creditors;

   (c) the Applicants' decision to commence the CCAA Proceedings and to seek a stay of proceedings;

   (d) the sale process run by the Applicants to identify a potential purchaser of the shares or assets of Ignite Services, including details pertaining to a proposed transaction to sell their business;

   (e) the Applicants' thirteen-week cash flow forecast (the "**Cash Flow Forecast**") for the period from October 28, 2023 to February 2, 2024 (the "**Forecast Period**");

   (f) the Applicants' funding requirements and proposed debtor-in-possession (**"DIP"**) financing arrangement;

(g) the Court-ordered priority charges proposed in the Initial Order;

(h) certain other relief that the Proposed Monitor understands the Applicants intend to seek in their next motion to the Court prior to the expiry of the initial 10-day stay period (if granted) (the "**Comeback Motion**"); and

(i) the Proposed Monitor's conclusions and recommendations.

III. TERMS OF REFERENCE

4. Capitalized terms used but not defined in this Pre-Filing Report are as defined in the affidavit of Stephen Livingstone sworn October 26, 2023 (the "**Livingstone Affidavit**"), filed by the Applicants as part of their materials in support of the CCAA Application and the proposed Initial Order. This Pre-Filing Report should be read in conjunction with the Livingstone Affidavit, as certain information contained in the Livingstone Affidavit has not been included herein in order to avoid unnecessary duplication.

5. In preparing this Pre-Filing Report, the Proposed Monitor has relied solely on information and documents provided by the Applicants and their advisors, including unaudited financial information, declarations, and the Livingstone Affidavit (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in this Pre-Filing Report, the Proposed Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposed Monitor has not audited or otherwise attempted to verify 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 of Canada Handbook* and, accordingly, the Proposed Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.

6. Future orientated financial information contained in the Cash Flow Forecast is based on the Applicants' estimates and assumptions regarding future events. Actual results will vary from the information presented even if the hypothetical assumptions occur, and variations may be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the Cash Flow Forecast will be achieved.

7. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

IV. KPMG'S QUALIFICATIONS TO ACT AS MONITOR

8. KPMG is a licensed insolvency trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act* (Canada). KPMG is not subject to any of the restrictions to act as Monitor as set out in section 11.7(2) of the CCAA and, in particular, neither KPMG nor any of its representatives has been at any time in the two preceding years:

   (a) a director, an officer, or an employee of any of the Applicants;

   (b) related to any of the Applicants or to any director or officer of any of the Applicants; or

   (c) the auditor, accountant or legal counsel, or a partner or employee of the auditor, accountant, or legal counsel of any of the Applicants.

9. KPMG Corporate Finance Inc. ("**KPMG CF**"), an affiliate of the Proposed Monitor, was engaged by Primary Group Limited ("**Primary**") (being the Applicants' ultimate parent company) in March 2023 to assist with conducting a sale process (the "**Sale Process**") for the sale of substantially all of the shares or assets of Ignite Services. Further, in September 2023, KPMG was engaged by the Ignite Group to provide advisory services relating to the Applicants' financial situation and to assist the Applicants in reviewing various strategic options, including preparing for a CCAA filing. During the course of its involvement, KPMG has become familiar with the Applicants' business and financial affairs and has an in depth understanding of both the Sale Process as well as the Proposed Transaction (as defined and more particularly described below). Accordingly, KPMG is in a position to immediately assist the Applicants in the CCAA Proceedings.[1]

10. Should the Court grant the Applicants' request to make the Initial Order, KPMG has consented to act as Monitor. A copy of KPMG's consent to act as Monitor is attached hereto as **Appendix "A"**. The Proposed Monitor has retained Osler, Hoskin & Harcourt LLP to act as its legal counsel in the CCAA Proceedings.

V. BACKGROUND

11. Detailed information with respect to the Applicants' corporate structure, business, operations, financial position, and causes of insolvency are detailed extensively in the Livingstone Affidavit.

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[1] As part of its engagement with Primary, KPMG CF contractually agreed to accept a completion fee (payable only if an acceptable transaction is completed) as its sole compensation. Any completion fee that may become owing to KPMG CF is payable by Primary, who is not an applicant in the CCAA Proceeding; accordingly, this completion fee does not have any impact on the Applicants or their cash position and is therefore not reflected in the Cash Flow Forecast.

The information contained in this Pre-Filing Report represents only a summary of that background information.

Corporate Structure

12. As detailed in the Livingstone Affidavit, the Applicants are each a privately-incorporated entity under the *Business Corporations Act* (Ontario), with registered head offices located in Waterloo, Ontario.

13. Ignite Holdings is a non-operating entity and holds all of the issued and outstanding shares of Ignite Services and Ignite Insurance (a non-operating entity).

14. Ignite Services is the only operating entity in the Ignite Group and carries on business as a digital insurance brokerage under the business name of "aha insurance". Ignite Services provides services in Ontario, British Columbia, and Alberta; and it holds all licenses with the applicable regulatory authorities which are required for it to carry on business as an insurance brokerage.

15. The ultimate parent company of the Ignite Group is Primary, which is a company incorporated pursuant to the laws of Bermuda.

16. A chart showing the Ignite Group's corporate structure, including jurisdiction of incorporation, is attached as Exhibit "A" to the Livingstone Affidavit.

Business Overview

17. As described in the Livingstone Affidavit, Ignite Services carries on business as a digital insurance brokerage for personal, auto, commercial, pet, and travel insurance.

18. The Company has agreements with several different insurance companies (the "**Brokerage Agreements**"). While the terms of each Brokerage Agreement vary, the Brokerage Agreements permit the Company to act as a broker and sell insurance policies on behalf of the insurance carriers to the Company's customers.

19. Through the Company's digital platform, the Company assists its customers with shopping for and purchasing insurance policies from multiple providers. Customers are able to obtain quotes on various insurance policies, speak to the Company's insurance brokers, and ultimately have their requested insurance policies bound.

20. Pursuant to the Brokerage Agreements, the Company earns a commission when its customers successfully obtain insurance coverage through the Company's digital platform. The Company

will effect any amendments and cancellations to existing policies and provide ongoing advice to its customers to meet their insurance needs.

21. Approximately 56,000 potential customers access the Company's digital platform each month. From April 2022 to September 2023, approximately 3,700 policies were sold or renewed. As at September 30, 2023, there were approximately 6,700 policies in force. Historically, approximately 80% of Ignite Services' customers have obtained personal auto insurance, 15% obtained personal property insurance, and 5% obtained commercial insurance.

22. None of the Applicants own any real property and the Company's business operations are carried out from its leased office space in Waterloo, Ontario.

23. As at October 18, 2023, Ignite Services had a total of 32 employees and consultants, all of which are located in Ontario with the exception of one employee being located in Alberta. Of the 32 individuals, two are employed on a part-time basis, three are consultants, and the remaining are employed on a full-time basis.

Financial Situation

24. As outlined in the Livingstone Affidavit, the Company has been operating at a loss since 2018. From the commencement of operations to March 31, 2023, Ignite Services suffered total operating losses of over $59.8 million and has continued to operate at a loss since that time until the date of this Pre-Filing Report.

25. The Proposed Monitor understands that while Ignite Services' financial difficulties were driven by a variety of factors, the significant operating losses suffered by the Company over the years are largely due to the Company operating as a multi-carrier insurance brokerage with suboptimal rates being offered by insurance companies, significant customer acquisition costs in the insurance brokerage industry generally, and significant capital investments in its technology. Further, as of August 2022, Primary, who has been funding the Company's operating losses on an unsecured basis, ceased further funding in support of marketing efforts. As a result, monthly traffic to the Company's digital platform, and ultimately revenue, dropped off significantly.

26. As discussed in the Livingstone Affidavit, Ignite Services does not have sufficient cash on hand to meet its liabilities when they come due.

27. Included in the Livingstone Affidavit are copies of Ignite Services' financial statements for recent fiscal periods. Set out below is a summary of the Ignite Services income statement for the fiscal year ended March 31, 2023 and the six-month period ended September 30, 2023:

Ignite Services Inc. Summary Income Statement In thousands of Canadian dollars ($000)		
	FY2023	**YTD FY2024**
Revenue		
Commission revenue	1,905	841
Other revenue		44
Total revenue	**1,905**	**885**
Operating expenses		
Cost of acquisition	(619)	(352)
Marketing & advertising expenses	(1,589)	(63)
Personnel expenses	(3,706)	(1,625)
IT expenses	(1,090)	(575)
General and administrative expenses	(250)	(137)
Legal & professional fees	(312)	(197)
Bad debt expenses	(18)	(7)
Total operating expenses	**(7,584)**	**(2,956)**
Reported EBITDA	**(5,679)**	**(2,071)**
Interest, depreciation and amortization	(4,464)	(3,745)
Income taxes	-	-
Net Income	**(10,143)**	**(5,817)**

28. As described in the Livingstone Affidavit, Ignite Services has not been able to generate sufficient revenue to cover its operating and other costs. In the fiscal year ended March 31, 2023, the Company only generated revenue of approximately $1.7 million as compared to operating expenses of approximately $7.6 million. Further, the Company had interest, depreciation, and amortization costs of approximately $4.4 million, resulting in a net loss of approximately $10.3 million in the fiscal year ended March 31, 2023.

29. Ignite Services had similar operating results in the six months ended September 30, 2023, with revenue of only approximately $885,000, operating costs of approximately $3.0 million and a net loss of approximately $5.8 million. While the Company has significantly reduced marketing spend to date in fiscal year 2024 (due to a cessation of funding from Primary in this regard), this has not reduced the net losses being experienced by the Company.

30. Set out below is Ignite Services' unaudited balance sheet as at September 30, 2023:

Ignite Services Inc. Summary Balance Sheet In thousands of Canadian dollars ($000)	
	Sept 30, 2023
Current assets	
Cash	161
Commission receivables	225
Accounts receivable	452
Prepaid expenses	(1)
Total current assets	**836**
Fixed assets	
Property and equipment	238
Intangible assets	4,723
Total fixed assets	**4,961**
Total Assets	**5,797**
Current liabilities	
Premium payable	1,007
Accounts payable and accrued liabilities	2,633
Employee payables	4,104
Unearned revenue	-
Current portion of long-term debt	-
Current portion of lease liabilities	177
Total current liabilities	**7,922**
Long-term liabilities	
Long-term debt	7,121
Due to related party	57,704
Total long-term liabilities	**64,826**
Share capital	0
Accumulated deficit	(66,951)
Shareholder's deficit	**(66,951)**
Total Liabilities and Shareholder's Deficit	**5,797**

31. As at September 30, 2023, Ignite Services' current assets were comprised of cash of approximately $161,000 (inclusive of trust cash of approximately $139,000), commissions receivable of approximately $225,000, and accounts receivable of approximately $452,000. The Company does not have any significant fixed assets and held property and equipment with a net book value of approximately $238,000 as of September 30, 2023. In addition, Ignite Services has net intangible assets of approximately $4.7 million in respect of its digital platform.

32. The Company's current liabilities as at September 30, 2023 consisted of premiums payable of approximately $1.0 million, accounts payable and accrued liabilities of approximately $2.6 million and outstanding employee-related liabilities, including outstanding source deductions, of approximately $4.1 million. As of September 30, 2023, Aviva Insurance Company of Canada ("**Aviva**") and Primary were owed approximately $7.1 million and $57.7 million, respectively.

Creditors

Aviva

33. As discussed in the Livingstone Affidavit, Ignite Services' primary secured creditor is Aviva. Ignite Services and Aviva are parties to a credit agreement dated November 15, 2021, and subsequent amending agreements dated March 31, 2022, and November 16, 2022 (collectively, the "**Aviva Loan Agreement**"), pursuant to which Aviva made various advances to Ignite Services via a non-revolving credit facility (the "**Aviva Facility**").

34. No interest or principal repayments are required under the Aviva Facility until the facility matures on November 15, 2024.

35. As at September 30, 2023, the total amount outstanding under the Aviva Facility is $7.12 million (comprised of principal of $5.94 million and interest of $1.18 million).

36. Ignite Services' obligations under the Aviva Loan Agreement are secured by: (a) a charge on the assets of Ignite Services and Ignite Insurance, and (b) a pledge of all issued and outstanding common shares of Ignite Services and Ignite Insurance held by Ignite Holdings; the obligations are guaranteed by Primary (up to the maximum amount of $4.5 million) and Ignite Insurance. Additionally, Ignite Holdings executed a limited recourse guarantee in favour of Aviva.

37. Ignite Services also entered into a right of first refusal agreement with Aviva on November 15, 2021, pursuant to which Ignite Services granted Aviva with an exclusive and irrevocable right of first refusal to purchase any of its assets, group of assets, or shares.

Canada Revenue Agency

38. As outlined in the Livingstone Affidavit, on June 22, 2023, Canada Revenue Agency ("**CRA**") issued a notice of assessment pursuant to which CRA assessed Ignite Services as having $3,721,62.53 in outstanding source deductions, including penalties and interest thereon. As at September 30, 2023, the Company had an accrued liability of approximately $3.8 million on its balance sheet in respect of outstanding source deductions.

Employer Health Tax and Retail Sales Tax

39. As noted in the Livingstone Affidavit, the Minister of Finance (Ontario) (the "**MOF**") has registered a security interest in Ignite Services' personal property in the amount of $54,184 in respect of outstanding liabilities for employer health tax and retail sales tax. As at September 30,

2023, the Company has an accrued liability of approximately $87,000 on its balance sheet in respect of outstanding employer health tax amounts.

Employee and Contractor Liabilities

40. As set out in the Livingstone Affidavit, as at September 30, 2023, Ignite Services had approximately $120,000 in accrued salaries, wages, and benefits. The Company has a bi-weekly payroll cycle with payroll being paid on Thursdays for the period up to the Monday prior. As of October 18, 2023, the accrued vacation pay balance was approximately $95,000 (this amount is not accrued on the Company's balance sheet).

41. Additionally, Ignite Services had approximately $137,000 in outstanding employee expenses and $45,000 owing to former employees working on a contract basis as of September 30, 2023.

Unsecured Creditors

42. As detailed in the Livingstone Affidavit, Ignite Services has approximately $2.1 million in outstanding obligations to its trade creditors as of September 30, 2023.

43. In addition, as of September 30, 2023, approximately $57.7 million in outstanding unsecured intercompany loans were owing by Ignite Services to Ignite Holdings (and ultimately to Primary) in relation to funding provided by Primary through Ignite Holdings. Further details on the intercompany loans are provided in the Livingstone Affidavit. As discussed in the Livingstone Affidavit, the amounts owing by Ignite Services under the intercompany loans will be extinguished as part of a proposed tax restructuring to take place prior to the closing of the Proposed Transaction (as defined below).

VI. OBJECTIVES OF THE CCAA PROCEEDINGS

44. The primary objectives of the CCAA Proceedings are to:

(a) stabilize Ignite Services' business by providing for a Court-ordered stay of proceedings and ensuring, through the DIP Facility (as defined below), that Ignite Services has the necessary funding to continue operations in the near-term; and

(b) to allow for the Applicants' business to be sold as contemplated in the Proposed Transaction for the benefit of the Applicants' stakeholders.

VII. SALE PROCESS

45. As detailed in the Livingstone Affidavit, Primary engaged KPMG CF in March 2023 to conduct the Sale Process, which was commenced in May 2023. A broad canvassing of the market was conducted, with 48 strategic parties being approached by KPMG CF to gauge interest in acquiring all or substantially all of the Applicants' business and assets.

46. A number of expressions of interest and two letters of intent were received in the Sale Process. Ultimately, an offer from Southampton Financial Inc. ("**Southampton**") to acquire the shares of Ignite Services from Ignite Holdings was determined by the Applicants to be the best offer available in the circumstances, and the Applicants concluded that the transaction between Ignite Holdings and Southampton (the "**Proposed Transaction**") set out in the share purchase agreement executed by the parties on October 26, 2023 (the "**SPA**") was in the best interests of the Applicants and their stakeholders.

47. Key terms of the Proposed Transaction and the SPA are summarized in the Livingstone Affidavit. It is contemplated that the Proposed Transaction will close by no later than December 7, 2023. A redacted copy of the SPA (without schedules) is attached as Exhibit "M" to the Livingstone Affidavit. An unredacted copy of the SPA, which includes the purchase price payable by Southampton and other key economic terms, is attached hereto as **Confidential Appendix "A"**. As it contains commercially sensitive information, the Applicants will seek to seal the Confidential Appendix "A" only until the Proposed Transaction contemplated under the SPA is closed.

48. The Proposed Monitor understands that further details in respect of the Sale Process will be provided in the Applicants' materials to be filed in support of a subsequent motion to approve, among other things, the Proposed Transaction and the SPA, should the Court grant the proposed Initial Order. The Monitor (in its then capacity) would also file a report in conjunction with the Applicants' motion seeking approval of the Proposed Transaction and the SPA, which it anticipates will include a confidential appendix that will contain additional information regarding the Sale Process and the expressions of interest and letters of intent received in respect thereof..

VIII. CASH FLOW FORECAST

49. The Applicants, in consultation with the Proposed Monitor, have prepared the Cash Flow Forecast for the purpose of projecting the Applicants' estimated liquidity needs during the Forecast Period. A copy of the Cash Flow Forecast is attached hereto as **Appendix** "**B**".

Ignite Group Summary Cash Flow Forecast CAD $000s	Pre-Closing Period Oct 28 2023 to Dec 8, 2023	Post-Closing Period (2) Dec 9, 2023 to Feb 2, 2024	Forecast Period Oct 28, 2023 to Feb 2, 2024
Receipts			
Commissions	338,862	-	338,862
Total receipts	**338,862**	**-**	**338,862**
Disbursements			
Payroll	(387,471)	-	(387,471)
Operating expenses	(255,737)	-	(255,737)
Rent	(16,471)	-	(16,471)
Tax remittances	-	-	-
Professional fees	(751,000)	(1,045,000)	(1,796,000)
Total disbursements	**(1,410,679)**	**(1,045,000)**	**(2,455,679)**
Net operating cash flow	**(1,071,817)**	**(1,045,000)**	**(2,116,817)**
Cash roll			
Opening cash balance (1)	9,446	37,629	9,446
Net operating cash flow	(1,071,817)	(1,045,000)	(2,116,817)
DIP funding	1,100,000	-	1,100,000
Closing cash balance	**37,629**	**(1,007,371)**	**(1,007,371)**

(1) Estimated cash balance as of October 28, 2023.
(2) It is contemplated that cash disbursements made during the Post-Closing Period will be funded by the net proceeds of the Proposed Transaction.

50. The Cash Flow Forecast projects that the Applicants will experience a net cash outflow of approximately $2.1 million over the Forecast Period (prior to any funding pursuant to the proposed DIP Facility), comprised of:

(a) cash receipts of approximately $0.3 million, primarily related to the collection of commissions revenues; and

(b) cash disbursements of approximately $2.5 million, primarily related to payroll and benefits, operating expenses, rent, and the professional fees and expenses associated with the CCAA Proceedings.

51. The Cash Flow Forecast assumes that the Proposed Transaction will close on or before December 7, 2023, being the Proposed Transaction outside date in the SPA (the "**Anticipated Closing Date**"). With respect to the period prior to the Anticipated Closing Date (the "**Pre-Closing Period**"), the Cash Flow Forecast projects that the Applicants will experience a net cash outflow of approximately $1.1 million. As such, the Applicants will require interim financing pursuant to the proposed DIP Facility in order to continue to operate the Company and fund the costs and expenses

associated with the CCAA Proceedings until such time as the Proposed Transaction can be completed.

52. The Cash Flow Forecast projects the following borrowings under the DIP Facility:

(a) an initial advance in the amount of $350,000 to fund the operating costs of the Company and any costs incurred, or to be incurred, in connection with the CCAA Proceedings until the return date of the Comeback Motion, at which time it is intended that the approval of the full amount of the DIP Facility will be sought; and

(b) subsequent advances in the amount of (a) $400,000, to be advanced by no later than November 10, 2023, and (b) $350,000, to be advanced by no later than November 13, 2023, for aggregate borrowings of $1.1 million under the DIP Facility over the Forecast Period.

53. The Cash Flow Forecast projects that the Applicants will experience a net cash outflow of approximately $1.0 million following the completion of the Proposed Transaction (the "**Post-Closing Period**") in relation to the payment of accrued professional fees and costs up to the Anticipated Closing Date and the additional professional fees and costs to complete the CCAA Proceedings. It is contemplated that such costs will be paid from the proceeds of the Proposed Transaction.

54. The Cash Flow Forecast has been prepared by the Applicants on a conservative basis using probable and hypothetical assumptions set out in the notes to the Cash Flow Forecast. The Cash Flow Forecast reflects the Applicants' estimates of receipts and disbursements on a weekly basis over the Forecast Period.

55. The Proposed Monitor has reviewed the Cash Flow Forecast to the standard required of a Court-appointed monitor pursuant to section 23(1)(b) of the CCAA and the Canadian Association of Insolvency and Restructuring Professionals' standards of professional practice. Section 23(1)(b) requires a monitor to review the debtor's cash flow statement as to its reasonableness and to file a report with the Court on the monitor's findings. The Canadian Association of Insolvency and Restructuring Professionals' standards of professional practice include standards for CCAA monitors in connection with their statutory responsibilities under the CCAA in respect of a monitor's report on the Cash Flow Forecast.

56. The Proposed Monitor's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussions related to Information supplied to it by the Applicants. Since the probable and hypothetical assumptions need not be supported, the Proposed Monitor's procedures

with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposed Monitor also reviewed the support provided by management of the Applicants for the probable and hypothetical assumptions, and the preparation and presentation of the Cash Flow Forecast.

57. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe that, in all material respects:

(a) the probable and hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;

(b) as at the date of this Pre-Filing Report, the probable and hypothetical assumptions developed by the Applicants are not suitably supported and consistent with the restructuring plan of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast; or

(c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

58. The Proposed Monitor notes that the Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

IX. PROPOSED INTERIM FINANCING

59. Ignite Services' operating losses and capital investment in its digital platform significantly eroded its liquidity, leaving the Applicants without sufficient funds to operate or to complete the Proposed Transaction. As noted above, based on the Cash Flow Forecast, the Applicants require immediate interim financing to continue operations until such time as the sale of their business to Southampton can be completed.

60. As shown in the Cash Flow Forecast, it is estimated that commencing immediately, the Applicants will require additional financial support in the amount of approximately $1.1 million throughout the Pre-Closing Period. Accordingly, the Applicants' ability to borrow additional funds, in the form of a Court-approved DIP facility, secured by the DIP Charge (as defined below), is vital to providing the stability, and the necessary cash flow, to continue to operate the Company's business, such that the value of the business can be preserved while the Applicants work towards completing the Proposed Transaction.

DIP Term Sheet

61. The Proposed Monitor understands that Primary is prepared to provide the Applicants with interim financing in support of the CCAA Proceedings.

62. As outlined in the Livingstone Affidavit, Primary, as lender (in such capacity, the "**DIP Lender**") and the Applicants have agreed upon the terms (the "**DIP Facility Agreement**") of a debtor-in-possession non-revolving loan in the aggregate principal amount of $1.1 million (the "**DIP Facility**"). A copy of the DIP Facility Agreement is attached as Exhibit "O" to the Livingstone Affidavit.

63. The principal terms of the DIP Facility Agreement include the following (which list is not exhaustive):

(a) Ignite Services is the borrower under the DIP Facility Agreement and Ignite Holdings and Ignite Insurance are the guarantors;

(b) the aggregate principal amount under the DIP Facility is $1,100,000 and will be available in three advances (each, an "**Advance**"), as follows:

(i) $350,000, upon issuance of the Initial Order, and by no later than October 31, 2023 (the "**First Advance**");

(ii) $400,000, following the issuance of the Amended and Restated Initial Order (the "**ARIO**"), and by no later than November 10, 2023 (the "**Second Advance**"); and

(iii) $350,000, following the issuance of the ARIO and by no later than November 13, 2023 (the "**Third Advance**", and together with the First Advance and the Second Advance, the "**Advances**");

(c) Advances made pursuant to the DIP Facility shall be interest-free;

(d) payment by the Company of the DIP Lender's reasonable expenses in connection with the DIP Facility and the CCAA Proceedings (the "**Recoverable Expenses**"). No closing fees are contemplated to be paid by the Applicants in connection with the DIP Facility;

(e) the proceeds from the DIP Facility are to be used for the purposes of meeting the working capital needs of Ignite Services and paying the professional fees and expenses in respect of the CCAA Proceedings (both as projected in the Cash Flow Forecast), and paying the Recoverable Expenses and such other costs and expenses of Ignite Services as may be agreed to by the DIP Lender;

(f) the conditions precedent in relation to the First Advance include, among other things, the Court having issued the Initial Order approving the DIP Facility Agreement and the DIP Lender's Charge (defined below);

(g) the conditions precedent in relation to the Second Advance and the Third Advance include, among other things, the Court having issued the ARIO and the reverse vesting order approving the Proposed Transaction;

(h) the DIP Facility is subject to customary covenants and events of default;

(i) the repayment and maturity date is the earliest of:

  (i) December 7, 2023;

  (ii) the closing of the Proposed Transaction; and

  (iii) the occurrence of an event of default (subject to a cure period of 5 business days); and

(j) the DIP Facility may be prepaid at any time, without penalty.

Proposed Monitor's Recommendation

64. Taking into consideration the above, the Proposed Monitor is supportive of the DIP Facility Agreement for the following reasons:

(a) the Applicants are facing an imminent liquidity crisis and Ignite Services is without the cash needed to continue operations and implement the sale of its business – short term funding is needed urgently. The Proposed Monitor understands that Ignite Services will be unable to pay continued operating costs as they become due absent the DIP Facility;

(b) if the DIP Facility is not available, Ignite Services would need to shut down its operations and the Applicants will have virtually no prospect of completing the Proposed Transaction;

(c) further delay in attempting to source alternative interim financing is not justified in the circumstances. The Applicants were unable to secure interim financing from Aviva; and

(d) the Proposed Monitor has compared the principal financial terms of the DIP Facility Agreement to other DIP financing arrangements of a similar size in other CCAA proceedings. Given that the DIP Facility is being provided by the DIP Lender on an interest-free basis, the DIP Facility is more than likely commercially better than any other interim financing that might be available to the Applicants.

X. RELIEF SOUGHT IN THE INITIAL ORDER

65. The proposed Initial Order provides for certain charges (collectively, the "**Charges**"), on the current and future assets, undertakings and properties of the Applicants, including all proceeds thereof (the "**Property**")

Administration Charge

66. The proposed Initial Order provides for a charge on the Property up to a maximum amount of $750,000 to secure the fees and disbursements incurred both before and after the commencement of the CCAA Proceedings in favour of the Proposed Monitor, the Proposed Monitor's legal counsel, and legal counsel to the Applicants (the "**Administration Charge**").

67. The proposed Initial Order provides that the Administration Charge will rank in priority to the D&O Charge (as defined below) and the security interests of the DIP Lender and Aviva, who the Proposed Monitor understands have agreed to the Administration Charge. In the CCAA Application, the Applicants are not seeking priority of the Administration Charge over any super-priority amounts owing to the CRA or the security interest of the MOF. The Proposed Monitor understands that, at the Comeback Motion, the Applicants intend to seek super-priority ranking for the Administration Charge over all existing encumbrances, including the interests of CRA and the MOF.

68. The quantum of the Administration Charge sought by the Applicants was determined in consultation with the Proposed Monitor.

69. The creation of the Administration Charge is typical in CCAA proceedings, as is the proposed priority of the Administration Charge as set out in the proposed form of Initial Order.

70. The Proposed Monitor believes that the Administration Charge is reasonable and appropriate in the circumstances. The professionals require the benefit of the Administration Charge to protect them for their anticipated fees related to both preparing for the CCAA Proceedings, as well as for their fees and costs during the CCAA Proceedings. Without such protection, the professionals are not prepared to continue to provide services in the CCAA Proceedings.

D&O Charge

71. The proposed Initial Order also provides for a charge on the Property in the maximum aggregate amount of $250,000 to indemnify the current director and officers of the Applicants (the "**Director**

and Officers") against obligations and liabilities that they may incur as director or officers of the Applicants after commencement of the CCAA Proceedings (the "**D&O Charge**").

72. The Director and Officers shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay an indemnified amount. As discussed in the Livingstone Affidavit, the Proposed Monitor understands that the Applicants maintain directors' and officers' liability insurance which provides for up to $1 million in coverage.

73. The amount of the D&O Charge was calculated taking into consideration employee payroll and related expenses (including source deductions) as well as other employment-related liabilities that attract potential liability for the Director and Officers.

74. The proposed Initial Order provides that the D&O Charge ranks subordinate to any super priority amounts owing to the CRA, the security interests of the MOF and the Administration Charge but ahead of the security interests of the DIP Lender and Aviva. The Proposed Monitor understands that the DIP Lender and Aviva are agreeable to the priority of the D&O Charge. The Proposed Monitor understands that at the Comeback Motion, the Applicants intend to seek super-priority ranking for the D&O Charge over all existing encumbrances other than the Administration Charge.

75. The Proposed Monitor has been informed (and as noted in the Livingstone Affidavit), that the Director and Officers are unwilling to continue their services and involvement in the CCAA Proceedings without the protection of the D&O Charge. As the Applicants will require the Director and Officers to facilitate the successful completion of the Proposed Transaction and be involved in the business going forward, the Proposed Monitor believes that the D&O Charge (both the amount and the priority ranking) is required and reasonable in the circumstances.

DIP Lender's Charge

76. As noted earlier in this Pre-Filing Report, the Applicants require funding immediately to continue operations and consummate the Proposed Transaction, as evidenced by the Cash Flow Forecast.

77. Also as noted above, it is a condition of the DIP Facility Agreement that the DIP Lender receives the benefit of a priority charge on the Property for advances made to Ignite Services during the CCAA Proceedings, subordinate to the Administration Charge and the D&O Charge and any super-priority amounts owing to the CRA (the "**DIP Lender's Charge**").

78. The proposed Initial Order provides that the DIP Lender's Charge in an initial amount of $350,000 ranks subordinate to any super priority amounts owing to the CRA, the security interests of the

MOF, the Administration Charge and the D&O Charge but ahead of the security interests of Aviva. The Proposed Monitor understands that Aviva is agreeable to the priority of the DIP Lender's Charge. The Proposed Monitor further understands that the Applicants intend to seek an increase in the DIP Lender's Charge to $1.1 million and to seek a priority ranking of the DIP Lender's Charge ahead of the security interests of the MOF at the Comeback Motion.

Summary and Ranking of Proposed Court-Ordered Charges

79. It is contemplated that the priorities of the Charges sought by the Applicants will be as follows:

(a) the Administration Charge;

(b) the D&O Charge; and

(c) the DIP Lender's Charge.

80. As discussed above, the Charges, if granted, will rank in priority to the security interests of Aviva and the Proposed Monitor understands that at the Comeback Motion, the Applicants intend to seek an order declaring that the Administration Charge and the D&O Charge rank ahead of all other encumbrances, including any super-priority amounts owing the CRA and the security interests of the MOH. The Proposed Monitor also understands that the Applicants will also be seeking priority of the DIP Lender's Charge over the security interests of the MOF at the Comeback Motion.

XI. COMEBACK MOTION

81. Should the Court grant the proposed Initial Order, the Proposed Monitor understands that the Applicants intend to return to the Court on or before November 9, 2023 for the Comeback Motion seeking:

(a) an extension of the stay of proceedings established by the Initial Order;

(b) approval of the Proposed Transaction;

(c) approval of the maximum amount under the DIP Facility;

(d) an expansion of the Initial Order to include the more fulsome restructuring provisions, as typically included in CCAA initial orders, including but not limited to changes in the priority of the Administration Charge and the D&O Charge; and

(e) any other relief as may be required to advance the Applicants' restructuring.

82. Subsequent to the granting of the Initial Order, KPMG (in its then capacity as Monitor) will report to the Court in connection with the relief sought by the Applicants at the Comeback Motion, including in respect of the approval of the Proposed Transaction.

XII. PROPOSED MONITOR'S CONCLUSION AND RECOMMENDATIONS

83. Without CCAA protection and access to interim financing, a shut-down of Ignite Services' operations is inevitable, which would have an adverse impact on the Applicants' stakeholders, including employees and customers. The stay of proceedings and related relief sought by the Applicants granted under the CCAA will provide the Applicants with an opportunity to complete the sale of their business for the benefit of their stakeholders. The requested sealing of Confidential Appendix "A" is required because disclosure of the redacted information could pose a serious risk to the objective of maximizing value in the CCAA Proceedings as it could impair any efforts to remarket the Company if the Proposed Transaction does not close.

84. The Ignite Group is facing a liquidity crisis. According to the Livingstone Affidavit, the Applicants are without the funds required to meet obligations as they become due, including employee obligations, trade debt, rent and other contractual commitments. In the circumstances, the Applicants are seeking protection under the CCAA to afford themselves the necessary breathing room to stabilize their business and pursue a restructuring. The CCAA Proceedings would provide a forum to stabilize Ignite Services' business and allow for the Proposed Transaction to proceed as contemplated.

85. For the reasons set out in this Pre-Filing Report, the Proposed Monitor is of the view that the relief requested by the Applicants is both appropriate and reasonable. The Proposed Monitor is also of the view that granting the relief requested will provide the Applicants the best opportunity to restructure under the CCAA, thereby preserving value for the benefit of the Applicants' stakeholders. As such, the Proposed Monitor supports the Applicants' application for CCAA protection and respectfully recommends that the Court grant the relief sought by the Applicants in the proposed Initial Order.

All of which is respectfully submitted this 27th day of October, 2023.

KPMG Inc.
In its capacity as Proposed Monitor of
Ignite Holdings Inc., Ignite Services Inc., and Ignite Insurance Corporation
and not in its personal or corporate capacity

Per:

Anamika Gadia	G Bourikas
Anamika Gadia	**George Bourikas**
Senior Vice-President	Vice-President

Appendix “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C.1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF IGNITE HOLDINGS INC., IGNITE SERVICES INC., and IGNITE INSURANCE CORPORATION
(collectively the "Applicants")

CONSENT TO ACT AS MONITOR

KPMG Inc. hereby consents to act as the Court-appointed monitor of the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, in respect of the above-captioned proceedings, if so appointed by this Honourable Court.

Dated at Toronto this 25th day of October 2023.

KPMG Inc.

Per:

Anamika Gadia

Anamika Gadia
Senior Vice-President

George Bourikas
Vice-President

Appendix “B”

Ignite Group
Weekly Cash Flow Forecast [1] [2]
CAD $000s

CCAA Week		1	2	3	4	5	6	7	8	9	10	11	12	13	14
Week Ended	**Notes**	**11/3/2023**	**11/10/2023**	**11/17/2023**	**11/24/2023**	**12/1/2023**	**12/8/2023**	**12/15/2023**	**12/22/2023**	**12/29/2023**	**1/5/2024**	**1/12/2024**	**1/19/2024**	**1/26/2024**	**2/2/2024**
Receipts															
Commissions	**3**	149,431	20,000	-	-	149,431	20,000	-	-	-	-	-	-	-	-
Total receipts		**149,431**	**20,000**	**-**	**-**	**149,431**	**20,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Disbursements															
Payroll	**4**	(127,571)	-	(123,300)	-	(136,600)	-	-	-	-	-	-	-	-	-
Operating expenses	**5**	(71,374)	-	(37,321)	-	(66,817)	(80,226)	-	-	-	-	-	-	-	-
Rent	**6**	(7,846)	(380)	-	-	(8,172)	(74)	-	-	-	-	-	-	-	-
Tax remittances	**7**	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional fees	**8**	(171,000)	-	(580,000)	-	-	-	(500,000)	-	(200,000)	-	(200,000)	-	(145,000)	-
Total disbursements		**(377,790)**	**(380)**	**(740,621)**	**-**	**(211,589)**	**(80,299)**	**(500,000)**	**-**	**(200,000)**	**-**	**(200,000)**	**-**	**(145,000)**	**-**
Net operating cash flow		**(228,359)**	**19,620**	**(740,621)**	**-**	**(62,158)**	**(60,299)**	**(500,000)**	**-**	**(200,000)**	**-**	**(200,000)**	**-**	**(145,000)**	**-**
Cash roll															
Opening Cash Balance	9	9,446	131,087	550,707	160,086	160,086	97,928	37,629	(462,371)	(462,371)	(662,371)	(662,371)	(862,371)	(862,371)	(1,007,371)
Net operating cash flow		(228,359)	19,620	(740,621)	-	(62,158)	(60,299)	(500,000)	-	(200,000)	-	(200,000)	-	(145,000)	-
DIP funding	**10**	350,000	400,000	350,000	-	-	-	-	-	-	-	-	-	-	-
Closing cash balance		**131,087**	**550,707**	**160,086**	**160,086**	**97,928**	**37,629**	**(462,371)**	**(462,371)**	**(662,371)**	**(662,371)**	**(862,371)**	**(862,371)**	**(1,007,371)**	**(1,007,371)**

Ignite Holdings Inc., Ignite Services Inc., and Ignite Insurance Corporation
(collectively the "Applicants" or "Ignite Group")
Cash Flow Forecast
Notes and Summary of Assumptions

Disclaimer

In preparing this cash flow forecast (the "**Cash Flow Forecast**"), the Applicants have relied upon unaudited financial information and have not attempted to further verify the accuracy or completeness of such information. Since the Cash Flow Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Cash Flow Forecast period will vary from the Cash Flow forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty, or other assurance that any of the estimates, forecasts or projections will be realized.

The Cash Flow Forecast is presented in Canadian dollars. All defined terms that are not otherwise defined herein are to have the same meaning ascribed to them in the Pre-Filing Report of the Proposed Monitor dated October 27, 2023.

Note 1 Purpose of the Cash Flow Forecast

The purpose of the Cash Flow Forecast is to present the estimated cash receipts and disbursements of the Applicants for the period from October 28, 2023 to February 2, 2024 (the "**Forecast Period**"). The Cash Flow Forecast has been prepared by management of the Applicants ("**Management**"), in consultation with the Proposed Monitor based on available financial information at the date of the Pre-Filing Report in accordance with Section 10(2)b) of the CCAA. Readers are cautioned that this information may not be appropriate or relied upon for any other purpose.

The Applicants maintain an operating bank account that is used to receive commissions and disburse all day-to-day expenses (the "**Operating Account**"), and a separate trust bank account which holds premiums collected from Ignite Services customers in trust for insurance carriers (the "**Trust Account**"). This Cash Flow Forecast depicts movements in the Operating Account only (the Trust Account is excluded from the Cash Flow Forecast).

Note 2 Proposed Transaction

The Cash Flow Forecast assumes that the Proposed Transaction will close on December 7, 2023 (being the Outside Date of the Proposed Transaction). As such, the Cash Flow Forecast assumes that, subsequent to that date, there will no longer be any normal course operating receipts and disbursements associated with the Applicants' business. The proceeds from the Proposed Transaction are not reflected in the Cash Flow Forecast as the purchase price is confidential at this time.

Note 3 Commissions

Commissions receipts relate to commissions earned on insurance premiums written in the previous month, which are typically received by the Applicants during the first or second week of the following month.

Note 4 Payroll

Payroll includes employee salaries and wages, payroll taxes and remittances, and employee benefits paid to the Applicants' employees or to the appropriate government agencies. Payroll expenses are forecast based on current headcount levels. Employee salaries and wages, and related taxes and remittances are paid bi-weekly.

Note 5 Operating expenses

Operating expenses are comprised of general business expenses, including IT, marketing, accounting, general and administrative, among others.

Note 6 Rent

Rent includes rent payments for the Company's head office location and other office building related costs (e.g. utilities, cleaning, etc.).

Note 7 Tax remittances

The Applicants collect various taxes including Retail Sales Tax ("**RST**"), Employer Health Tax ("**EHT**") and employee source deductions ("**Source Deductions**"). RST is collected and remitted through the Trust Account; thus RST is not reflected in the Cash Flow Forecast. Both EHT and Source Deductions are remitted through the Operating Account (included in the "Payroll" line item).

Note 8 Professional fees

Includes professional fees of (a) the Monitor, counsel to the Monitor, counsel to Applicants and counsel to Primary in connection with these CCAA proceedings, and (b) fees of counsel to the Applicants in connection with the Proposed Transaction.

Note 9 Opening Cash Balance

Opening cash balance is net of outstanding cheques as of October 28, 2023.

Note 10 DIP funding

The Cash Flow Forecast reflects scheduled advances under the DIP Facility, as follows:

- **First Advance ($350,000)**: to be advanced following issuance of the Initial Order, and by no later than October 31, 2023
- **Subsequent Advances:**
    - **($400,000)**: to be advanced following the issuance of the ARIO, and by no later than November 10, 2023
    - **($350,000)**: to be advanced by no later than November 13, 2023

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF IGNITE HOLDINGS INC., IGNITE SERVICES INC., and IGNITE INSURANCE CORPORATION
(collectively the "Applicants" or "Ignite Group")

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of Ignite Group have developed the assumptions and prepared the attached statement of projected cash flow as of the 26th day of October 2023, consisting of the period from October 28, 2023, to February 2, 2024 (the '**Cash Flow Forecast**").

The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow Forecast described in the notes therein, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the Cash Flow Forecast. All such assumptions are disclosed in the notes therein.

Since the Cash Flow Forecast in based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The Cash Flow Forecast has been prepared solely for the purposed described in the notes therein, using the probable and hypothetical assumptions set out therein. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

Dated at the Village of St. Jacobs, in the Province of Ontario, this 26th day of October 2023.

Ignite Holdings Inc., Ignite Services Inc., and Ignite Insurance Corporation

DocuSigned by:
Steve Livingstone
421DD567E50D4AD...

Steve Livingstone
President

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C.1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF IGNITE HOLDINGS INC., IGNITE SERVICES INC., and IGNITE INSURANCE CORPORATION
(collectively the "Applicants" or "Ignite Group")

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash flow of the Applicants prepared as of the 26th day of October 2023, consisting of the period from October 28, 2023 to February 2, 2024 (the "**Cash Flow Forecast**"), has been prepared by management of the Applicants, in consultation with the Proposed Monitor for the purpose described in Note 1, using the probable and hypothetical assumptions set out in the notes to the Cash Flow Forecast.

Our review and consultation consisted of inquiries, analytical procedures and discussions related to information supplied by management and employees of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow Forecast.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow Forecast will be achieved.

The Cash Flow Forecast has been prepared solely for the purpose described in the notes thereto and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, in the Province of Ontario, this 27th day of October 2023.

KPMG Inc.
In its capacity as Proposed Monitor of
Ignite Holdings Inc., Ignite Services Inc., and Ignite Insurance Corporation
And not in its personal or corporate capacity

Anamika Gadia

Anamika Gadia
Senior Vice-President

G Bourikas

George Bourikas
Vice-President

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED
AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF IGNITE HOLDINGS INC., IGNITE SERVICES INC., and IGNITE INSURANCE CORPORATION

Court File No.:

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

PRE-FILING REPORT OF THE PROPOSED MONITOR

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