

ROBB EVANS & ASSOCIATES LLC
Receiver of
Educare Centre Services, Inc. et al.
and
Globex Telecom, Inc. et al.

REPORT OF RECEIVER'S ACTIVITIES

December 15, 2019 through May 29, 2020

This report covers the activities of the Receiver¹ since its first report that was filed on December 15, 2019. This is the second report to the Court on the progress of the receivership. It does not constitute an audit of financial condition and is intended only to provide information for use by the Court in assessing the progress of the receivership.

Overview

During this reporting period, the Receiver has focused primarily on the following:

- Responding to legal process and information requests from Federal and State regulatory agencies.
- Pursuit of Globex Telecom Inc. (Globex) records in Montreal, Canada.
- Managing the day-to-day operations of the InitPro Technologies, Inc. (InitPro) subsidiary companies².
- Working with management of the InitPro subsidiary companies to address customer quality issues and to determine if the businesses can be operated lawfully.
- Analyzing the financial conditions of the InitPro subsidiary companies to determine if the businesses can be operated profitably

Each of the above matters are discussed in this report.

¹ Reference to the Receiver in this report means the Receiver, the Receiver's deputies, its staff, and its counsel.

² As set forth in the first report to this Court, Globex owns 100% of the shares of InitPro. InitPro is a holding company that in turn owns 100% of several operating companies which are all involved with various aspects of the telecommunications industry.

Legal Process from Federal and State Regulatory Agencies

The Receiver has spent a great deal of time responding to legal process served on the Receiver 15 separate times by various Federal and State regulatory agencies, and to other informal information requests from some government agencies, during just the period covered by this report with respect to Globex and its subsidiaries. These inquiries dealt with possible illegal robocalls by customers of the operating subsidiaries, and by customers of the customers.

Proceedings in Montreal, Canada

On December 3, 2019 this Court issued a Temporary Restraining Order (TRO) that named Globex Telecom Inc. and 9506276 Canada, Inc. (9506276) (collectively referred to as the “Globex defendants”) as additional Receivership Entities. As previously reported, on December 12, 2019 the 9506276 entity filed a notice of bankruptcy in Quebec. As a result of the bankruptcy, the Receiver was not able to obtain any Globex documents located in Canada.

On February 13, 2020 the Receiver filed a Motion for Recognition of a Foreign Proceeding in the Superior Court (Commercial Division) in the District of Montreal (Exhibit 1). The Motion for Recognition recites in part the following:

I. BANKRUPTCY OF THE BANKRUPT AND POSSESSION OF PROPERTY

1. In complete contravention of the Temporary Restraining Order, the Bankrupt filed a notice of intention to make a proposal (“NOI”) on December 12, 2019.
2. In further complete contravention of the Receivership Order, the Bankrupt made an assignment on December 19, 2019 pursuant to the relevant provisions of the BIA, and MNP Ltd. (the “Trustee”) was appointed trustee of the estate of the Bankrupt.
3. On January 29, 2020, the US District Court entered an order holding, inter alia, the Bankrupt in contempt of court for failing to fulfill its obligations under the Receivership Order, including providing information and data to the Receiver. A copy of such order is produced herewith as Exhibit R-●. Accordingly, there is a valid and urgent need for granting the relief sought herein.
4. The Trustee is in possession of books and records (whether electronic or otherwise), data, computers and servers, access codes and other relevant information and/or property vital to the Receiver’s on-going investigation and recuperation of funds.

5. Given the interconnected nature of the entities involved in the Telemarketing Scheme, including the Bankrupt, the documents, information, data and access codes in the possession of the Trustee which may be categorized as relating to such other entities actually relates to the Bankrupt. Accordingly, no categorization of any documents, information, data and access codes is relevant and access thereto cannot be restricted.
6. Given all of the foregoing, it is essential that the Receiver be named a foreign representative and the Foreign Proceedings be recognized pursuant to s. 267 ff. BIA in order for the Receiver to continue its work, in general, and recover and discover data and funds, in particular, the whole to the benefit of the Bankrupt's creditors.

In response to the Receiver's Motion, Defendant Mohammad Souheil filed a Declaration of Voluntary and Aggressive Intervention (Exhibit 2).

Aside from being factually incorrect in many instances, Mr. Souheil's Declaration is another violation of this Court's orders that require information be provided to the Receiver and require cooperation with the Receiver.

A hearing in the Superior Court was scheduled for March 27, 2020. Due to the spread of COVID-19, the hearing was cancelled, and it is not clear when the matter can be heard.

Customer Quality Issues

As discussed above, numerous legal process and requests for information have been dealt with by the Receiver. In addition, the Receiver and the InitPro subsidiaries are sent Traceback Incident Requests from USTelecom (Exhibit 3). Page 2 of the Traceback Request under Exhibit 3 states in part "calls are perpetuating a SERIOUS FRAUD. Caller is impersonating a federal official." A number of these Traceback Incident Requests have been received dealing with a variety of clear or alleged fraudulent calls handled through the operating subsidiaries. These traceback requests are referred to as tickets.

None of these calls are originated by the InitPro subsidiaries. They are originated by a customer of one of the subsidiaries or a customer's customer of the subsidiary entities. The Receiver and management of the subsidiary companies have expended considerable time, effort, and financial resources to weed out unwanted customers and to install mechanisms to help prevent a resurgence in illegal robocalls.

One of the keys to reducing the number of illegal robocalls is proper onboarding procedures and knowing the customer. The subsidiary companies have enhanced the onboarding requirements. Those include, but are not limited to, the following:

- Company name, address, phone number, website, contact of responsible for the account
- Signed Master Service Agreement (MSA)
- Proof of address (lease agreement, electricity bill, etc.)
- Company incorporation documents (Including Tax ID)
- Description of nature of business
- Explanation of origin of traffic
- Company responsible parties
- FCC 499 Filer ID (for carriers/aggregators)
- FCC registration (for carriers/aggregators)
- Dun and Bradstreet Number

After obtaining the information above, documents are cross-checked to make sure there is consistency with the information obtained. For example, the contact information on the prospective customer's website and the official company documents must match. The description of the nature of the business must be verifiable.

The companies' management has been aggressive in culling the customer base. Customers who have been the subject of legal process, complaints, or traceback requests are dealt with swiftly.

Early this year a five strike per customer policy was implemented. If five or more USTelecom tickets were received in a one-week period or less that customer was automatically blocked. Since April, the threshold was lowered from five to three.

Recently, it was discovered that a blocked customer shifted its traffic to an old dormant account on the network. All dormant accounts have now been blocked. In addition, other accounts that were not in compliance with the Know Your Customer Policy have been terminated. Also, one of the subsidiary company's "dialer" account customers were also terminated. This process resulted in the termination of more than 160 accounts.

Customers who have been the subject of legal process, complaints, or USTelecom traceback requests have been and will continue to be dealt with swiftly.

If a customer is the subject of legal process, that customer's account activity will immediately trigger a technical audit. The audit will look for large amounts of calls to disconnected numbers (SIP code 404), percentage of misdialed calls (ring no answer, SIP code 487), calls under 6 seconds of duration (Short Duration Percentage), the overall number of calls completed (answer-seizure ratio, ASR) and calls to numbers in the Do Not Call List.

The guidelines for these metrics currently are:

SIP CODE 404: Less than 15%

SIP CODE 487: Less than 60%

Short Duration Percentage: Less than 50%

Percentage of completed calls (ASR): Greater than 20%

If the traffic is out of the guidelines metrics this will trigger an executive review to evaluate the account and identify if this problem was an indicative of their intended business practices or if it was an anomaly. If this executive review exposes a pattern or intent to disregard the US regulations the account will be terminated immediately.

The audit will also look for potential spoofing patterns like neighborhood spoofing or the use of invalid caller ID (ANI).

If three or more USTelecom tickets are received for the same customer in a one-week period or less, that customer will be automatically suspended from sending traffic. This does not apply for US Telecom registered carriers if they answer the tickets with the USTelecom.

Daily traffic monitoring will be performed by the Network Operations Center (NOC) to identify possible patterns i.e. looking at average call durations and amount of completed (answered) calls. Calls of short duration combined with a low answer rate are signs of potential fraudulent calls. If a customer's answered call rate (ASR) is less than 20% due to high amounts of calls to bad destination numbers and/or misdialed calls, the customer will be suspended.

On an ongoing basis, the subsidiary company's network will work to increase its robust intelligence and filters to help in the battle against illegal calls. Some of these filters are:

Block Invalid Caller ID

Automatic Block Caller IDs with low call completion (low ASR)

Block calls with same Destination and Caller ID (to avoid neighborhood spoofing)

Block calls with Wireless number Caller ID unless calls are coming from a wireless carrier

Onboarding new non-US traffic aggregators for traffic terminating in the United States of America is prohibited unless the company or principals involved are well-known and established members of the telecommunications industry. A passport copy may be required in this case. Onboarding of new trusted and verified retail end user customers is permitted.

The Receiver and company management have taken further steps to enhance the InitPro subsidiaries ability to detect and reduce fraudulent calls.

The STIR-SHAKEN³ protocol has been purchased and is being implemented to comply with the FCC requirement. In March 2020, the FCC adopted new rules requiring all originating and terminating voice service providers to implement caller ID authentication using STIR-SHAKEN technological standards in the Internet Protocol (IP) portions of their networks by June 30, 2021.

The STIR system aims to add information to the Session Initiation Protocol (SIP) headers that allow the endpoints along the system to positively identify the origin of the data. This does not directly prevent the ability for a robocaller to spoof a caller ID, but it does allow upstream points to decide whether or not to trust that ID.

There are three levels of verification, or "attestation", possible in the STIR protocol. The highest level, Full Attestation, indicated in the STIR header with an A, indicates that the provider recognizes the entire phone number as being registered with the originating subscriber. This would be the case for a landline or mobile phone where the customer connects directly to the voice over-internet-protocol (VOIP) network and the phone number can be verified as being a particular customer, or in the case of a company that has registered a particular callback number. Partial Attestation, or B, indicates that the call originated with a known customer but the entire number cannot be verified, which would be the case with a call originating from a client PBX where the extension number is not registered with the provider. Gateway Attestation, C, indicates the call can only be verified as coming from a known gateway, for instance, a connection to another service provider.

STIR systems produce a Web Token containing, among other things, the originating phone number as provided by the original SIP, the number being called, and the level of attestation being given by the provider. This information is then encrypted with the provider's private key, encoded using Base64, and appended to the original SIP header in a new Identity field. The new information now travels along with the original SIP request until it reaches its

³ STIR ^[1] (Secure Telephony Identity Revisited) and SHAKEN ^[2] (Secure Handling of Asserted information using toKENS)

destination, another VOIP system or provider that will route the call to an external telephone. On reception, the STIR information is decoded using the provider's public key. If this fails, the STIR information can be considered invalid. If it properly decodes, it can extract the information and examine the attestation to decide whether to allow the call to continue. In the case of a VOIP endpoint on a smart phone, for instance, the display might show that the call is of an unknown origin (C) or that it failed verification entirely.

To address these problems, SHAKEN includes systems to pass STIR information through the SS7 network, a standard for the data to be added to SIP for calls originating in the SS7 network, how to send STIR information to endpoints, and a set of guidelines on how to handle various STIR failures.

In the common case of a robocaller calling an end user on a landline or mobile phone, it is the last step of the connection that does not directly handle STIR. For instance, if a call originates in a VOIP system and was tagged with a STIR header that successfully authenticated, the caller ID provided to the user might be appended with "(verified)", whereas one that fails might say "(spoofed)" or "(no verification)".

The STIR-SHAKEN implementation has been completed.

The Receiver has also authorized the purchase of the Federal Trade Commission's Do Not Call list (DNC). While it is not clear if the InitPro subsidiaries are required to implement the DNC, the Receiver and company management believe it is prudent to do so. Implementation of the DNC may also present positive marketing opportunities for future business relationships.

Pages 8 to 29 are redacted.

Conclusion

The Receiver is monitoring the status of the Montreal courts and will aggressively pursue its Motion for Recognition of a Foreign Proceeding when the courts reopen for non-emergency matters.

The Receiver is working on a daily basis with the management of the InitPro subsidiary companies to ensure compliance with the Operating Procedures and to modify the procedures as necessary.

Respectfully submitted,

/s/

Robb Evans & Associates LLC
Receiver

EXHIBIT 1

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
NO.: 500-11-057670-198
ESTATE NO.: 41-2595236

SUPERIOR COURT
(Commercial Division)

(*Bankruptcy and Insolvency Act*, R.S.C.
1985, c. B-3)

IN THE MATTER OF THE BANKRUPTCY
OF:

9506276 CANADA INC., legal person
constituted under the *Canada Business
Corporations Act*, having an office at 225-
7075 Place Robert-Joncas, Saint Laurent,
Québec H4M 2Z2;

Bankrupt

-vs-

ROBB EVANS & ASSOCIATES LLC, in its
capacity as Receiver appointed by the United
States District Court for the Western District of
Texas, El Paso Division, under Court Docket
No. EP-19-CV-196-KC;

Foreign Representative/Petitioner

-vs-

MNP LTD., in its capacity as trustee to the
estate of 9506276 Canada Inc., having its
principal place of business at 1155 boul. René
Lévesque O., 23rd floor, Montreal, Québec
H3B 2K2;

Bankruptcy Trustee/Respondent

MOTION FOR RECOGNITION OF A FOREIGN PROCEEDING
(Sections 269 and following of the *Bankruptcy and Insolvency Act*, Canada)

IN SUPPORT OF THE PRESENT MOTION, THE FOREIGN
REPRESENTATIVE/PETITIONER STATES AS FOLLOWS:

I. INTRODUCTION

1. By the present Motion, Robb Evans & Associates LLC (the "**Receiver**"), in its capacity as Receiver of, *inter alia*, 9506276 Canada Inc. (the "**Bankrupt**") appointed pursuant to an order issued by the United States District Court for the Western District of Texas, El Paso Division, under Court Docket No. EP-19-CV-

196-KC (the “**US District Court**”), hereby seeks recognition as a foreign representative of proceedings presently on-going in the US District Court, the whole in accordance with Section 267 and following of the *Bankruptcy and Insolvency Act, Canada* (“**BIA**”) and pursuant to the terms of the Order Recognizing a Foreign Proceeding produced herewith as **Exhibit R-1** (the “**Draft Recognition Order**”).

2. The foreign proceeding in question consists of a *First Amended Complaint for Permanent Injunction and Other Equitable Relief* filed on December 3, 2019 (the “**Complaint**”) and the resulting *Preliminary Injunction Order as to Defendants Globex Telecom, Inc. and 9506276 Canada Inc.* issued by the US District Court on December 17, 2019 (the “**Receivership Order**”) and together with the Complaint, collectively the “**Foreign Proceeding**”).
3. Prior to granting the Receivership Order, the US District Court provided immediate relief by issuing an *Ex Parte Temporary Restraining Order with Asset Freeze, Appointment of a Temporary Receiver, and Other Equitable Relief, and Order to Show Cause why a Preliminary Injunction Should not Issue* (the “**Temporary Restraining Order**”).
4. In compliance with s. 269(2) *BIA*, produced herewith *en liasse* as **Exhibit R-2** are certified copies of the Complaint and the Receivership Order, together with a statement identifying all foreign proceedings in respect of the Bankrupt that are known to the Receiver.

II. THE FOREIGN PROCEEDING

5. The Receivership Order was granted as a result of unlawful telemarketing and related activities perpetrated by the Bankrupt and other parties on residents of the United States (the “**Telemarketing Scheme**”).
6. The Bankrupt is one of several interrelated and interconnected entities controlled by members of the Souheil family in Montreal, operating in conjunction with one another in order to perpetrate the Telemarketing Scheme.
7. The Telemarketing Scheme has resulted in the unlawful withdrawal of over US\$11.5 Million from bank accounts of thousands of innocent consumers in the United States. These unlawfully obtained funds are continuously transferred between these entities such that discovering the funds is a shell game (hence the need for the relief sought herein).
8. The US District Court granted the Receivership Order upon application by the United States Federal Trade Commission (the “**FTC**”) and the US State of Ohio pursuant to Section 13(b) of the *Federal Trade Commission Act*, 15 U.S.C. § 53(b), the *Telemarketing and Consumer Fraud and Abuse Prevention Act*, 15 U.S.C. §§ 6101-6108 the *Ohio Consumer Sales Practices Act*, O.R.C. 1345.07, the *Ohio Telephone Solicitation Sales Act*, O.R.C. 4719.01 and *Federal Rule of Civil*

Procedure 65(b). These laws deal with the collective interests generally of consumers as creditors and indirectly deal with insolvency.

9. Given the interconnected nature of the parties involved in the Telemarketing Scheme, including the Bankrupt, and their sharing and comingling of information, data, and funds, the Receiver was given a wide range of powers in order to recover data and funds from *all* entities involved, the whole for the benefit of the Bankrupt's creditors.
10. In light of the foregoing, it is clear that the Receiver is a foreign representative pursuant to the *BIA*.

III. **BANKRUPTCY OF THE BANKRUPT AND POSSESSION OF PROPERTY**

11. In complete contravention of the Temporary Restraining Order, the Bankrupt filed a notice of intention to make a proposal ("**NOI**") on December 12, 2019.
12. In further complete contravention of the Receivership Order, the Bankrupt made an assignment on December 19, 2019 pursuant to the relevant provisions of the *BIA*, and MNP Ltd. (the "**Trustee**") was appointed trustee of the estate of the Bankrupt.
13. On January 29, 2020, the US District Court entered an order holding, *inter alia*, the Bankrupt in contempt of court for failing to fulfill its obligations under the Receivership Order, including providing information and data to the Receiver. A copy of such order is produced herewith as **Exhibit R-3**. Accordingly, there is a valid and urgent need for granting the relief sought herein.
14. The Trustee is in possession of books and records (whether electronic or otherwise), data, computers and servers, access codes and other relevant information and/or property vital to the Receiver's on-going investigation and recuperation of funds.
15. Given the interconnected nature of the entities involved in the Telemarketing Scheme, including the Bankrupt, the documents, information, data and access codes in the possession of the Trustee which may be categorized as relating to such other entities actually relates to the Bankrupt. Accordingly, no categorization of any documents, information, data and access codes is relevant and access thereto cannot be restricted.
16. Given all of the foregoing, it is essential that the Receiver be named a foreign representative and the Foreign Proceedings be recognized pursuant to s. 267 ff. *BIA* in order for the Receiver to continue its work, in general, and recover and discover data and funds, in particular, the whole to the benefit of the Bankrupt's creditors.

17. Accordingly, it is necessary for this Honourable Court to issue an order, in substantially the same form as the Draft Recognition Order, providing for, *inter alia*, the power of the Receiver to:
 - (a) obtain possession and control of the Bankrupt's property; and
 - (b) issue subpoenas and hold examinations.
18. The Trustee has indicated that it will cooperate with the Receiver and that it takes no position with respect to this Motion.
19. In addition to the *BIA*, the relief sought herein should be granted in the interest of comity and the collective interests of the creditors and other stakeholders of the Bankrupt.
20. The present Motion is well-founded in fact and in law.

WHEREFORE THE RECEIVER/PETITIONER PRAYS FOR JUDGMENT OF THIS HONOURABLE COURT:

- (A) **GRANTING** the present Motion; and
- (B) **ISSUING** an order substantially in the form of the draft Order Recognizing a Foreign Proceeding produced herewith as **Exhibit R-1**;

THE WHOLE WITHOUT COSTS, save in the event of contestation.

Montreal, February 13, 2020

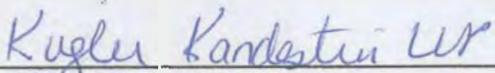
(sgd.) Kugler Kandestin LLP

KUGLER KANDESTIN LLP

Attorneys for Foreign Representative/
Petitioner

Mtre Gerald F. Kandestin / Mtre Jeremy Cuttler /
Mtre Éva Richard
1 Place Ville Marie, Suite 1170
Montréal, Québec H3B 2A7
Tel.: 514 878-2361 / Fax: 514 875-8424
gkandestin@kklex.com / jcuttler@kklex.com /
erichard@kklex.com

TRUE COPY



KUGLER KANDESTIN LLP

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
NO.: 500-11-057670-198
ESTATE NO.: 41-2595236

SUPERIOR COURT
(Commercial Division)

(Bankruptcy and Insolvency Act, R.S.C. 1985,
c. B-3)

IN THE MATTER OF THE BANKRUPTCY OF:
9506276 CANADA INC.;

Bankrupt

-vs-

ROBB EVANS & ASSOCIATES LLC;
Foreign Representative/Petitioner

-vs-

MNP LTD.;
Bankruptcy Trustee/Respondent

AFFIDAVIT

I, the undersigned Brick Kane, exercising my profession at 11450 Sheldon St., Sun Valley, CA, zip code 91352, declare the following:

1. I am a representative of Robb Evans & Associates LLC, the receiver of 9506276 Canada Inc. in the present "Motion for Recognition of a Foreign Proceeding" (the "Motion"), appointed pursuant to a "Preliminary Injunction Order as to Defendants Globex Telecom, Inc. and 9506276 Canada Inc." issued by the United States District Court for the Western District of Texas, El Paso Division, on December 17, 2019 under docket no. EP-19-CV-196-KC;
2. I have knowledge of all of the facts alleged in the Motion; and
3. All of the facts alleged in the Motion are, other than those of record herein, true and correct.

NOTARY PUBLIC:

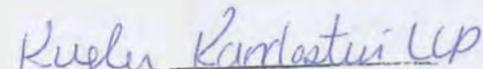
AND I HAVE SIGNED:
ROBB EVANS & ASSOCIATES LLC

Per:



Brick Kane, President

True Copy / Copie Conforme


Kugler Kandestin LLP, S.E.M.C.B.L.

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles)

On 2/13/20 before me, Anita Jen, Notary Public
(insert name and title of the officer)

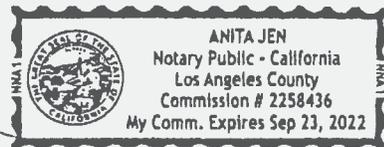
personally appeared Brick Kane
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

Anita Jen
(Seal)



True Copy / Copie Conforme

Kugler Kandestin LLP
Kugler Kandestin LLP, S.E.N.C.R.L.

NOTICE OF PRESENTATION

TO: BORDEN LADNER GERVAIS LLP
*Attorney to MNP Ltd., trustee to the estate
of 9506276 Canada Inc.*
Mtre Hugo Babos-Marchand
1000, rue De La Gauchetière Ouest
Suite 900
Montréal, Québec, H3B 5H4
HBabosmarchand@blg.com

**THE SUPERINTENDENT OF
BANKRUPTCY**
Sun Life Building
1155 Metcalfe Street, Suite 950
Montréal, Québec, H3B 2V6
(Fax: 514-283-9795)

TAKE NOTICE that the *Motion for Recognition of a Foreign Proceeding* will be presented for adjudication before the Superior Court of Québec, sitting in the Commercial Division, in and for the judicial district of Montréal, on **February 21, 2020, at 8:45 a.m.**, in **Room 16.10** of the Montréal Courthouse, located at 1 Notre-Dame Street East, in the City of Montréal, Province of Québec, or so soon thereafter as counsel may be heard.

DO GOVERN YOURSELVES ACCORDINGLY.

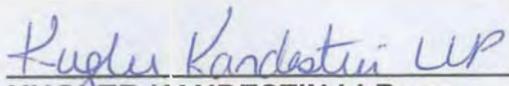
Montreal, February 13, 2020

(sgd.) Kugler Kandestin LLP

KUGLER KANDESTIN LLP
Attorneys for Foreign Representative/
Petitioner

Mtre Gerald F. Kandestin / Mtre Jeremy Cuttler /
Mtre Éva Richard
1 Place Ville Marie, Suite 1170
Montréal, Québec H3B 2A7
Tel.: 514 878-2861 / Fax: 514 875-8424
gkandestin@kklex.com / jcuttler@kklex.com /
erichard@kklex.com

TRUE COPY


KUGLER KANDESTIN LLP

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
NO.: 500-11-057670-198
ESTATE NO.: 41-2595236

SUPERIOR COURT
(Commercial Division)

(*Bankruptcy and Insolvency Act, R.S.C. 1985,*
c. B-3)

IN THE MATTER OF THE BANKRUPTCY OF:
9506276 CANADA INC.;

Bankrupt

-VS-

ROBB EVANS & ASSOCIATES LLC;
Foreign Representative/Petitioner

-VS-

MNP LTD.;
Bankruptcy Trustee/Respondent

**LIST OF EXHIBITS IN SUPPORT OF THE MOTION FOR RECOGNITION OF A
FOREIGN PROCEEDING**

- EXHIBIT R-1** Draft Order Recognizing a Foreign Proceeding;
EXHIBIT R-2 Certified copies of the Complaint and the Receivership Order;
EXHIBIT R-3 Copy of Contempt Order issued on January 29, 2020;

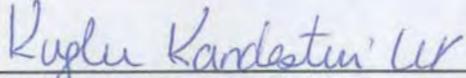
Montreal, February 13, 2020

(sgd). *Kugler Kandestin LLP*

KUGLER KANDESTIN LLP
Attorneys for Foreign Representative/
Petitioner

Mtre Gerald F. Kandestin / Mtre Jeremy Cuttler /
Mtre Éva Richard
1 Place Ville Marie, Suite 1170
Montréal, Québec H3B 2A7
Tel.: 514 878-2861 / Fax: 514 875-8424
gkandestin@kklex.com / jcuttler@kklex.com /
erichard@kklex.com

TRUE COPY


KUGLER KANDESTIN LLP

NO.: 500-11-057670-198
ESTATE NO.: 41-2595236

SUPERIOR COURT

(Commercial Division)

(*Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3)
DISTRICT OF MONTREAL

IN THE MATTER OF THE BANKRUPTCY OF:

9506276 CANADA INC.

Bankrupt

-VS-

ROBB EVANS & ASSOCIATES LLC

Foreign Representative/Petitioner

-VS-

MNP LTD.

Bankruptcy Trustee/Respondent

**MOTION FOR RECOGNITION OF A FOREIGN
PROCEEDING (Sections 269 and following of
the *Bankruptcy and Insolvency Act*, Canada),
AFFIDAVIT, NOTICE OF PRESENTATION and
LIST OF EXHIBITS**

COPY

Mtre Gerald F. Kandestin / Mtre Jeremy Cuttler /
Mtre Éva Richard

KuglerKandestin

1, Place Ville Marie, Suite 1170
Montréal (Québec) Canada H3B 2A7
T: 514 878-2861

F: 514 875-8424

gkandestin@kklex.com / jcuttler@kklex.com /

erichard@kklex.com

BG 0132

 6329-002

EXHIBIT 2

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

N°: 500-11-057670-198
Surintendant n°: 41.2595236

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE
BANKRUPTCY OF:

9506276 CANADA INC.;
Debtor

v.

ROBB EVANS & ASSOCIATES LLC;
Opposer

and

MNP LTD.;
Trustee

and

MOHAMMAD SOUHEIL;
Third party intervener

DECLARATION OF VOLUNTARY AND AGGRESSIVE INTERVENTION

IN SUPPORT OF ITS INTERVENTION, THE THIRD PARTY SUBMITS THE FOLLOWING:

1. The opposer Robb Evans & Associates LLC is suing debtor 9506276 Canada Inc. in order to override the application of the *Bankruptcy and Insolvency Act* so as to obtain recognition of a provisional foreign judgment, as appears from the Court record;
2. The third-party intervener intends to intervene voluntarily, and aggressively, in order to become a party and to have recognized, against the opposer, a right on the dispute brought before the Court, for the reasons hereafter described:
 - a. The third-party intervener has an obvious interest to act given that he was president of the debtor until the summer of 2019, as it appears from the statement of information of a legal person dated February 20, 2020, filed as **exhibit IN-1**;
 - b. Moreover, the opposer invokes him in the application for recognition of a foreign judgment in paragraph 6 when it mentions "Souheil family in Montreal", as it appears in the file;
 - c. Moreover, the opposer attempts to rely on a foreign provisional judgment which expressly and literally indicates the name of the third-party intervener as a party to the proceedings, as appears from **exhibit R-2**;
 - d. Furthermore, the opposer requests that orders in the present case be made, *inter alia*, against the third-party intervener, as follows from **exhibit R-1**;
 - e. Inadmissibly and unacceptably, as a result of the representations made in the present file on Friday, February 21, 2020 and for which a postponement was granted to the

UNOFFICIAL ENGLISH TRANSLATION

third-party intervener to allow him to draft the applicable legal proceedings, the third-party intervener was put on notice by the Federal Trade Commission (the "FTC") on February 24, 2020 to withdraw his declaration of intervention in the present file no later than February 24, 2020 at 4 p.m.;

- f. The opposer is the representative of the FTC in the present case;
 - g. Thus, upon reading the FTC's correspondence, it appears that following the representations made before this Honourable Court on Friday, February 21, 2020, the FTC wished to avoid the position of the third-party intervener from being heard and defended and demanded that the third-party intervener withdraw its declaration of intervention and to confirm the whole before 4 p.m. on February 24, 2020, failing which the FTC would bring an action for contempt of court before the courts in the United States of America;
 - h. Consequently, the actions of the FTC's representatives clearly demonstrate the substantial interest of the third-party intervener in the present case and the FTC's unilateral intention to bypass the Canadian legal system if the third-party intervener does not desist from its legitimate right to defend itself before the courts in order to assert its rights, as appears from **exhibit IN-2**;
 - i. The third-party intervener wishes to show that the opposer is indirectly attempting to do through the recognition of a foreign judgment what the *Bankruptcy and Insolvency Act* prohibits him from doing directly;
 - j. The third-party intervener wishes to argue that the decisions rendered in the United States of America on December 17, 2019 and January 29, 2020 are manifestly incompatible with public policy and procedural principles in Canada;
 - k. Moreover, the decision rendered in the United States of America is not final and is not enforceable, as appears from the "Notice of appeal to a Court of Appeals from a judgment or order of a district Court", filed as **exhibit IN-3**;
 - l. In addition, certain documents requested by the opposer concern third parties, clients and information covered by professional secrecy and commercial privilege. They would therefore be confidential and violate the principle of confidentiality contained in the Canadian and Quebec Charters;
3. In view of the complexity of the case, the third-party intervener proposes that a Memorandum of Proceeding be completed by the parties and filed on the record by March 23, 2020, so that each can make representations for the proper administration of justice;

FOR THESE REASONS, MAY IT PLEASE THE COURT:

PERMIT the intervention of the third-party intervener according to the modalities provided for in his declaration of intervention or according to the modalities of intervention to be determined by the Court.

DISMISS the conclusions of the application initiating proceedings for the recognition of a foreign provisional judgment;

THE WHOLE with legal costs.



Laval, February 26, 2020

(S.) Zein Mazloum

Mtre Zein Mazloum
Attorney for the third-party intervener

UNOFFICIAL ENGLISH TRANSLATION

[Faint, illegible text in the center of the page]

EXHIBIT 3

Brick Kane

From: Traceback Notice <traceback-notice@ustelecom.org>
Sent: Thursday, April 16, 2020 10:23 AM
To: Brick Kane
Subject: Traceback Request for Incident #2015

Importance: High

USTELECOM

THE BROADBAND ASSOCIATION

To Whom It May Concern:

By way of introduction, my name is Farhan Chughtai, and I coordinate the efforts of USTelecom's Industry Traceback Group (ITG). We are writing to request your assistance on industry efforts to protect consumers from fraudulent, abusive or potentially unlawful robocalls. My contact information is listed below, and I would be more than happy to discuss this request with you over the phone.

A member of USTelecom's ITG recently received traffic from your network that has been deemed suspicious, and we are seeking your assistance in order to identify its origin (call details with date(s) are listed below). We request that you assist industry stakeholders who are engaging in traceback efforts in order to help identify the source of this potentially fraudulent, abusive or unlawful network traffic. To assist us in our efforts, **we are asking that you respond to this traceback inquiry as soon as possible, but no later than three business days from now.**

USTelecom, a 501(c)(6) trade association, represents service providers and suppliers for the telecommunications industry and leads the ITG, a collaborative effort of companies from across the wireline, wireless, VoIP and cable industries that actively trace and identify the source of illegal robocalls. The ITG coordinates with carriers at all levels within the call path seeking to identify the source of and eliminate illegal robocall traffic. The ITG also coordinates with federal and state law enforcement agencies to identify non-cooperative providers so they can take enforcement action, as appropriate. For more information of about the ITG or a list of the current members, see USTelecom's [website](#).

The ITG operates under the auspices of the Communications Act which permit telecommunications carriers to disclose and/or permit access to Customer Proprietary Network Information. Section 222(d)(2) of the Communications Act permits telecommunications carriers to share such information in order to "protect the rights or property of the carrier, or to protect users of those services and other carriers from fraudulent, abusive, or unlawful use of, or subscription to, such services." In addition, Section 2702(c)(3) of the Electronic Communications Privacy Act (ECPA) permits providers to divulge a record or other information pertaining to a subscriber to or customer of a service, "as may be necessarily incident to . . . the protection of the rights or property of the provider of that service." Given the negative impact of these calls on the rights and property of the members of the ITG, disclosure of information responsive to call tracebacks fits within that exception.

The Federal Communications Commission's (FCC) Enforcement Bureau has sent letters to carriers that have been non-responsive to ITG traceback requests. The letters "urge" carriers to "to cooperate with the USTelecom Industry Traceback Group's program aimed at identifying the source of illegal robocalls and harmful spoofed calls." The ITG has received recognition at all levels of government, including the FCC, the Federal Trade Commission (FTC) and all 50 State Attorneys General.

We are asking that you submit your response to this inquiry via our secure on-line portal, where you can see additional detail about all traceback requests involving your network. With respect to the call details below, please provide us with the following:

1. Please investigate the source of this traffic and respond with the identity of the upstream carrier(s) that sent the traffic into your network, or if one of your end users originated the traffic, please identify that end user. **We ask that you use the link below to access the portal and use the drop-down selector to provide this information.**
2. If, in investigating this traffic, the end user(s) originating the traffic are able to demonstrate to you that the traffic complies with applicable United States laws and regulations, please respond via email to me with the description of the traffic, the identity of the customer, and the customer's explanation.
3. As you investigate this matter, please take appropriate action on your network to ensure compliance with applicable United States laws and regulations, and inform me of the action you have taken.

To the extent that our industry effort identifies the originator of these suspicious robocalls, we first ask that mitigation efforts be taken at that source. For illegal traffic that goes unmitigated, USTelecom will provide information to downstream carriers to advise them that suspected illegals on your network continue to be allowed notwithstanding the identification of such calls via the traceback process. Similarly, USTelecom may advise the appropriate law enforcement agencies of such information so that they can take appropriate action, should they elect to do so. Similarly, if this industry effort fails to trace these calls to their origin, USTelecom may inform the appropriate agencies about the suspicious robocalls and the point in the call path where the investigation ends.

Please feel free to consult with your counsel on this request, and do not hesitate to call (202) 326-7273 or contact me via reply email should you have any questions, or would like to discuss.

Best Regards,

Farhan Chughtai
Director, Policy & Advocacy
USTelecom – The Broadband Association
601 New Jersey Avenue NW, Suite 600
Washington, DC 20001

As a copied recipient, you do not have access. Your Organization's registered analysts will have links in their copy of this email.

Call Details for Incident #2015 (new)

Date/Time: 2020-04-16 15:16:00 UTC
To: +15168591260
From: +14691919105
Campaign: SSA-FilingLawsuit

Captured recordings indicate clearly that these calls are perpetrating a SERIOUS FRAUD. Caller is impersonating a federal official. Automated message threatens that SSA is filing a lawsuit. Caller-ID appears to be random including wireless and invalid numbers. Called party is asked to press 1 to speak to an agent. Blocking the ANI is not effective. Access portal to listen to audio. This call is just one example representative of a massive calling campaign. Originators please search your records for similar traffic and take prompt mitigating action to stop all such calls.

Exhibits 4 to 9 are redacted.