

**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
1001270243 ONTARIO INC.**

**AIDE-MÉMOIRE OF RICHARD GOLDGLASS AND OTHER TERMINATED
EMPLOYEES OF SYNAPTIVE MEDICAL INC.**

1. WEPP applies automatically for employees who are terminated in the bankruptcy or receivership of their employer. On the other hand, where an employer obtains CCAA protection (or pursues an NOI), a court is required to order that WEPP applies to the proceeding before the terminated employees can apply for a much-needed WEPP payment.

2. The urgent Application brought by Export Development Canada ("**EDC**") Canada for the appointment of a receiver over Synaptive Medical Inc. ("**Synaptive**"), if granted, potentially moots the return of the motion brought by the company for a WEPP Order scheduled for Tuesday, May 5, 2026, which is supported by the Terminated Employees, since Synaptive will imminently be subject to a receivership. That motion was initially brought in the context of the CCAA proceeding of Synaptive and the related bankruptcy of a company it incorporated, colloquially known as Residualco, which was assigned into bankruptcy on September 3, 2025.

3. Once WEPP is confirmed to apply to a proceeding, whether automatedly or via a bankruptcy or receivership, then under section 5 of the WEPP Act, an employee is eligible for a WEPP payment if two criteria are met:

- (a) an employee's employment ends for a prescribed reason, which includes termination, and
- (b) the former employer owes "eligible wages" to the employee.

4. With *both* the Synaptive and Residualco corporate entities under receivership and bankruptcy respectively, *all* the terminated employees, should now be eligible for a WEPP payment.

5. From the temporal perspective, there should not be an issue over "eligible wages". The definition of eligible wages in section 2(1) of the WEPP Act contemplates that a company entering CCAA protection may, at some time in the future, have a receiver appointed over it, yet the WEPP Act still makes WEPP available for the employees who were terminated in the CCAA proceeding. Section 2(1) defines "eligible wages" as wages, termination pay, and severance pay earned in the period six months before the day on which the most recent proceedings under the CCAA are commenced (the Initial CCAA Order was granted on March 19, 2025), and ending on the first day on which a receiver is appointed (potentially April 28, 2026). That would capture the period of September 19, 2024 to April 28, 2026. Mr. Goldglass and his former co-workers were all terminated by Synaptive within this timeframe. Section 2(1) states:

2(1)

...

eligible wages means

(a) wages other than termination pay and severance pay that were earned during the longer of the following periods:

...

(ii) the period beginning on the day that is six months before one of the following days and ending on the date of the bankruptcy or the first day on which there was a receiver in relation to the former employer:

...

(B) the day on which the most recent proceedings under the *Companies' Creditors Arrangement Act* are commenced, and

...

(b) termination pay and severance pay that relate to employment that ended

(i) during the period referred to in paragraph (a), or

(ii) during the period beginning on the day after the day on which the period referred to in paragraph (a) ends and ending on the day on which the trustee is discharged or the receiver completes their duties, as the case may be.

6. With WEPP applying to both Synaptive and Residualco, and the temporal termination periods in section 2(1) being met, the main unresolved issue is whether Service Canada will still deny the employees WEPP payments when they apply for WEPP based on their past arguments that Residualco is not a "former employer" of the employees. Such denials of WEPP applications have occurred in cases such as *Just for Laughs, Valeo, Taiga*, where the courts had already issued WEPP Orders, and was recently threatened in *Cleo Energy*, 2025 ABKB 621. The position of the Terminated Employees is that Service Canada's denials based on RVO transactions are contrary to the criteria in the WEPP Act - and - such denials will also impair the approval of RVO transactions by courts where employees have been terminated because the employees will be "worse off under the RVO structure than they would have been under any other viable structure.", per the Harte Gold criteria.

7. The terminated employees require confirmation from the Attorney General that, with the granting of the receivership over Synaptive, the requested WEPP Order is no longer required and that all terminated Synaptive employees will be able to receive a WEPP payment without later denials based on the RVO transaction.

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Proceeding commenced at **TORONTO**

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