

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

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

No.:

500-11-060344-211

IN THE MATTER OF THE BANKRUPTCY OF:

AVI LIFE-LAB INC., a corporation governed under the *Canada Business Corporations Act*, having its head office at 7220 Frederick Banting Street, Suite 200, in the City of Montréal, Province of Québec, H4S 2A1

Debtor

and

CONCENTRIC AGRICULTURE INC., a corporation governed under the *Business Corporations Act (Québec)*, having its head office at 190 Agri Park Road, in the City of Oak Bluff, Province of Manitoba, R4G 0A5

Petitioner

APPLICATION FOR A BANKRUPTCY ORDER
(Sections 42 and 43 of the *Bankruptcy and Insolvency Act* (the "BIA"))

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT OF THE COMMERCIAL DIVISION, IN AND FOR THE DISTRICT OF MONTREAL, AND/OR TO THE REGISTRAR OF THIS COURT, PETITIONER HEREBY RESPECTFULLY SUBMITS:

I. THE PARTIES

1. The Petitioner Concentric Agriculture inc. ("**Concentric**" or the "**Petitioner**") is a company specialized in the fabrication and sale of microbial inoculants, as appears from a copy of the *État des Renseignements sur une personne morale in the Registre des Entreprises du Québec*, a copy of which is communicated herewith as **Exhibit R-1**;
2. The Debtor Avi Life-Lab Inc. ("**Avi Lab**" or the "**Debtor**"), is a company specialized in providing research laboratory services and agricultural research services, as appears from a copy of the *État des Renseignements sur une personne morale in the Registre des Entreprises du Québec*, a copy of which is communicated herewith as **Exhibit R-2**. Mr. Reza Sarhangpour Kafrani ("**Mr. Kafrani**") and his wife, Mrs. Fatemeh Kazemi Kafrani ("**Mrs. Kazemi Kafrani**") are the only shareholders of the Debtor, and Mrs. Kazemi Kafrani is, since July 15, 2021, the sole the director of Avi Lab, as appears from Exhibit R-2. Previously, Mr. Kafrani was the CEO and sole director of the Debtor;

II. FACTS AND RELEVANT CONTRACTUAL FRAMEWORK

The Head Lease

3. On or about November 13, 2014, CIG III Technoparc Nominee Inc., as lessor, and Inocucor Technologies Inc. (now Concentric), as lessee, executed a lease with respect to Suite 100 of the Premises (the "**Head Lease**"), the whole as it appears from a copy of said Head Lease, communicated herewith as **Exhibit R-3**;
4. The Head Lease was thereafter assigned by CIG III Technoparc Nominee Inc. to CIG III Technoparc Nominee II Inc., which in turn sold all of its rights, titles and interests with respect to the immovable property known as lot 1 165 620 of the Cadastre du Québec, registration division of Montreal, with the building thereon erected, bearing civic address 7220 Frederick-Banting street, in the City of Montreal, Borough of Saint-Laurent, District of Montreal (the "**Property**") to The Manufacturers Life Insurance Company (the "**Landlord**") pursuant to a deed of sale, signed under private writing on December 14, 2017, a copy of which is communicated herewith as **Exhibit R-4**;
5. Pursuant to a first amendment to the Head Lease dated June 7, 2017, Petitioner leased additional space in the Property, being Suite 200, as appears from a copy of the said amendment communicated herewith as **Exhibit R-5**;
6. Therefore, as of December 1st, 2017, Petitioner became the tenant of both premises, being suites 100 and 200 of the Property (the "**Premises**");

The Sublease and Avi Lab's Obligations Thereunder

7. On or about May 21, 2020, Concentric, as sub-lessor, and Avi Lab, as sub-lessee executed the sublease agreement with respect to the Premises, for a term extending until November 30, 2025, the whole as provided pursuant to the *Offer to Sublease Office and Laboratory Space* dated May 21, 2020 (the "**Sublease**"), communicated herewith as **Exhibit R-6**;
8. The Sublease, Exhibit R-6, notably contains the following default clause (at p. 11 of the Sublease), the relevant portions of which are reproduced below for the Court's convenience:

" Provided that when:

(a) the Subtenant shall be in default in the payment of any rent, whether lawfully demanded or not;

[...]

then notwithstanding any provision of law to the contrary, this Offer to Sublease may be terminated ipso facto at the option of the Sublandlord upon five (5) days written notice to the Subtenant to such effect, the Subtenant to be in default by the mere lapse of time for performing its obligations. It is expressly agreed that such termination shall be in addition and without prejudice to all other rights and recourses of the Sublandlord as provided by law or in this Sublease, without diminution or extinction of the liability of the Subtenant's obligations hereunder. Upon termination, the Subtenant shall immediately vacate and surrender the Subleased Premises and all of its rights therein and thereto and in and to this

Sublease to the Sublandlord. Upon termination, the Sublandlord may forthwith, without notice or any form of legal process, re-enter upon and take possession of the Subleased Premises, remove or cause to be removed therefrom any persons and property occupying same and re-sublet same to whomsoever it may choose and, furthermore, recover from the Subtenant all amounts due as well as all damages, including, without limitation, the total of Basic Rent and Additional Rent payable over the balance of the Term of this Offer to Sublease, the whole without limiting, diminishing or extinguishing the liability of the Subtenant's obligations under this Offer to Sublease nor the Sublandlord's right to judicially claim any additional damages.

[...]

If the Sublandlord retains the services of a lawyer to enforce the execution of any of the Subtenant's obligations under this Offer to Sublease, including without limitation, any recourse and action taken in order to retake possession of the Subleased Premises, the Subtenant shall pay on demand, in addition to judicial costs otherwise payable, all reasonable extra-judicial or solicitor and client disbursements and legal fees (which may be calculated on an hourly basis) incurred by the Sublandlord, as the case may be, the foregoing purpose."

(our emphasis)

9. Moreover, pursuant to the terms of the Sublease (which provisions are not numbered), Avi Lab notably undertook to pay:
 - a) the Basic Rent (as defined at p. 5 of the Sublease) (the "**Basic Rent**");
 - b) the Additional Rent (as defined at p. 5 of the Sublease) (the "**Additional Rent**");
 - c) the cost of all utilities consumed or used within the Premises, in accordance with the terms of the Head Lease (p. 10 of the Sublease).
10. On or about June 18, 2020, the Sublease was accepted and confirmed by the Landlord pursuant to a *Consent by Landlord to Sublease* dated June 18, 2020 (the "**First Consent**"), executed by Concentric, Avi Life and Landlord;
11. On or about July 17, 2020, the First Consent was amended pursuant to an *Amended Consent by Landlord to Sublease* dated July 17, 2020 (the "**Amended Consent**"), as appears from a copy thereof, communicated herewith as **Exhibit R-7**;
12. The Amended Consent, Exhibit R-7, notably amended section 5 d), which provides the obligation of Avi Lab to provide to the Landlord a security deposit in the amount of \$100,000.00 (the "**Security Deposit**"), as follows:

"5(d) as a condition to giving its consent, the Landlord has required the Subtenant to guarantee the Tenant's obligations under the Lease up to a maximum amount of One Hundred Thousand Dollars (\$100,000.00), the whole as set forth in a Guarantee Agreement entered into on the date hereof (the "Agreement") as amended by an Amendment to Guarantee Agreement dated on the date of the presents (the "Amendment to Agreement"), which Agreement is supported by (i) a Security Deposit in the amount of One Hundred Thousand Dollars (\$100,000.00) to be provided by the Subtenant to the Landlord (the "Security Deposit") and (ii) a movable hypothec on the Subtenant's property in the Leased Premises, also in the amount of One

Hundred Thousand Dollars (\$100,000.00) (the "Movable Hypothec") in replacement of the existing hypothec granted by Tenant in favour of Landlord; should the Tenant be in default under the Lease at any time or times, the Landlord may immediately be entitled to enforce its rights under the Agreement, as modified by the Amendment to Agreement, and/or redeem the Security Deposit and/or enforce the Movable Hypothec as further described in, and in accordance with the Agreement as modified by the Amendment to Agreement, it being a condition of this consent by Landlord. For greater certainty, the Agreement, as modified by the Amendment to Agreement, shall not be deemed to oblige the Landlord to be bound by the Sublease or any of its terms and the Sublease shall, at the option of the Landlord, terminate if the Lease terminates pursuant to any condition of termination therein provided or by operation of law or by re-entering and termination by the Landlord for breach of the Lease. In the event of such termination, the Subtenant shall vacate and deliver up that portion of the Leased Premises which are subleased by the Subtenant pursuant to the Sublease in compliance with all the provisions thereof and pay all rent and other monies due to the date of such termination."

The Debtor's defaults under the Sublease

13. As early as September 2020, namely a mere 4 months after the execution of the Sublease, Avi Lab began defaulting on its financial obligations pursuant to the Sublease, such that on or about November 6, 2020, Concentric caused its undersigned counsel to send a letter of demand claiming payment of certain amounts totalling \$46,206.55 from Avi Lab, as appears from a copy of said letter and its proof of service, communicated herewith as **Exhibit R-8**;
14. At or about the beginning of July 2021, despite its clear obligations, Avi Lab suddenly stopped making payments to Petitioner with respect to basic rent, additional rent and utilities (i.e. Energir) for the month of July 2021, such that on or about July 29, 2021, Concentric caused its undersigned counsel to send a letter of demand claiming payment of the following amounts from Avi Life, namely:
 - (a) The sum of \$44,587.01 with respect to base rent and additional rent for the month of July 2021 and;
 - (b) The sum of \$41,288.17 with respect to utilities provided to the Premises and unpaid to Petitioner,

as appears from a copy of said letter and its proof of service, communicated herewith as **Exhibit R-9**;

15. Avi Lab did not respond to Petitioner's letter of demand dated July 29, 2021 and failed to pay the amounts claimed therein, including the rent for the month of July 2021;
16. Moreover, Avi Lab failed to pay the rent due with respect to the Premises pursuant to the Sublease for the months of August and September 2021, while the amount owed with respect to utilities continued to increase;

Incarceration of the Debtor's principal by the US Government

17. It appears that on or about July 30, 2021, the United States Department of Justice published a press release entitled "*Iranian National Charged with Illegally Exporting Laboratory Equipment to Iran*" indicating that Avi Lab's CEO, Mr. Kafrani had been indicted

and arrested in the United States of America on one (1) count of conspiracy, two (2) counts of violations of the International Emergency Economic Powers Act (IEEPA), one (1) count of causing a failure to submit export information and six (6) counts of money laundering, as appears from a copy of said press release, communicated herewith as **Exhibit R-10**;

18. The news of Mr. Kafrani's arrest and incarceration was reported in Canada early August, 2021, as it appears from certain news articles, communicated herewith *en liasse* as **Exhibit R-11**;

III. NOTICES OF DEFAULT FROM THE LANDLORD AND FROM CONCENTRIC

19. As a result of Debtor's failure to pay its rent pursuant to the Sublease for the months of July, August and September 2021, Debtor defaulted in the payment of the rent for the month of September 21, 2021 pursuant to the Head Lease;

20. Consequently, and in light of:

- (a) Debtor's repeated defaults,
- (b) its failure to pay Basic Rent and Additional rent for the Premises for the months of July, August and September;
- (c) its failure to respond, in any way whatsoever to Petitioner's correspondence, including its letter of July 29, 2021, Exhibit R-6, and;
- (d) the arrest and incarceration of Debtor's CEO, and the resulting increase in the likelihood that Debtor will be able to continue its operations throughout the remaining term of the Sublease,

on September 2, 2021, Petitioner had no other option than to serve upon Debtor a *Notice of Ipso Facto Termination of Sublease* (hereinafter the "**Notice of ipso facto termination**") pursuant to the Default clause in the Sublease, Exhibit R-6, reproduced above, as appears from a copy of said notice and its proof of service, communicated herewith as **Exhibit R-12**;

21. The Notice of *ipso facto* termination, Exhibit R-12, was to take effect on September 8, 2021, namely five (5) days from receipt of the notice;
22. Following service of the Notice of *ipso facto* termination, Debtor mandated an attorney and Petitioner agreed in good faith to hold off on exercising its right to terminate the Sublease and take possession of the Premises, as Debtor promised to repay the outstanding indebtedness;
23. On September 7, 2021, the Landlord sent a *Notice of default and demand for payment* to both Petitioner and Debtor, by which it claimed an outstanding amount of \$213,475.88, and notably advised Petitioner that, should the default not be cured, it would consider executing the letter of guarantee provided by Petitioner under the *Amended Consent by Landlord to Sublease* dated June 18, 2020, Exhibit R-7, the whole as appears from a copy of such Notice, communicated herewith as **Exhibit R-13** (hereinafter the "**Landlord Notice**");

24. The Landlord Notice, also indicates as follows:

“Our client understands that the Tenant’s failure to pay Rent is directly attributable, at least in part, to the Subtenant’s failure to pay amounts owed to the Tenant under the Sublease and that the Tenant has taken measures to terminate the Sublease and evict the Subtenant. We also note that various judgments, hypothecs and execution measures appear to have been entered, registered, and effected, as the case may be, against the Subtenant or its assets.”

25. Indeed, it must be noted that three (3) hypothecs have been published on the RPMRR against the assets of Debtor, namely:

- (a) a legal hypothec in favour of the Agence du Revenu du Québec in the amount of \$99,990.25 dated September 17, 2020,
- (b) a legal hypothec in favour of the Agence du Revenu du Québec in the amount of \$80,138.35\$ dated April 22, 2021, and
- (c) a conventional hypothec in favour of Caisse Desjardins du Plateau Mont-Royal (the “**Caisse**”) in the amount of \$419,998.46.

the whole as appears from extracts of the RPMRR, communicated herewith *en liasse* as **Exhibit R-14**;

26. The legal hypothecs in favour of the Agence du Revenu du Québec result from Debtor’s failure to pay, when due, amounts owed the Agence du Revenu du Québec with respect to various fiscal laws;

27. Although the hypothec in favour of the Caisse appears to have been granted to secure commercial financing, it appears that, as a result of Debtor’s defaults in its obligations towards the Caisse, on or about April 7, 2020, the latter published a *Préavis d’exercice d’un droit hypothécaire de vente sous contrôle de la justice* against the universality of Debtor’s property under registration number 20-0324560-0001, the whole as appears from an extract of the RDPRM, communicated herewith as **Exhibit R-15**;

28. The Caisse has since instituted legal proceedings against the Debtor, as will be more fully alleged below;

29. On September 7, 2021, Me Ali Sbai, communicated with counsel for Petitioner and with counsel for the Landlord, advising that he represented Debtor. In response to the Landlord Notice, Exhibit R-13, Me Sbai sent an email to counsel for the Landlord, advising of the following:

« Suivant nos discussions d’aujourd’hui, nous vous confirmons représenter Avi-Life inc., sous locataire des locaux sis au 7220, boul. Frederick Banting à Montréal. Comme vous devez le savoir, le président de notre cliente est malheureusement dans une impossibilité d’agir plus que sérieuse, ne pouvant ainsi remédier au défaut actuel de la sous-locataire. Vous comprendrez donc que notre cliente est en pleine restructuration, devant faire face à plusieurs problématiques, en même temps.

C’est pourquoi, à l’heure actuelle, le mieux serait de puiser dans le dépôt de sécurité de 100 000 \$, le tout simplement afin de nous donner un court laps de

temps pour reprendre le contrôle sur les activités de l'entreprise et l'aider ainsi à ne plus se retrouver en position de défaut quant au paiement de son bail. Étant donné l'avis reçu aujourd'hui par Me Zucker et devant prendre effet dans deux (2) jours, le 29 septembre 2021, nous vous demandons de bien vouloir confirmer que vous acceptez de percevoir le loyer de septembre 2021, à même le dépôt de sécurité. Cette solution nous semble la plus appropriée eu égard aux circonstances particulières de notre cliente et ce, dans les intérêts de toutes les parties au présent dossier. »

As appears from a copy of said email, communicated herewith as **Exhibit R-16**;

30. Thereafter, the parties hereto entered into negotiations to attempt to resolve the payment of the arrears of rent owed by Debtor and ensure prompt payment of future rent. Unfortunately, the parties did not arrive at a mutually acceptable agreement;
31. Pending the outcome of such negotiations, Petitioner temporarily and unilaterally decide to forbear from executing the Notice of *ipso facto* termination, Exhibit R-12;
32. On September 16, 2021, the Landlord sent a *Notice of partial redemption of Deposit*, redeeming an amount of \$53,368.97 from the Deposit, as appears from a copy of such Notice, communicated herewith as **Exhibit R-17**;
33. Debtor failed to pay the rent owed pursuant to the Sublease for the month of October 2021. In light of such default and considering that the parties hereto had not arrived at a mutually acceptable agreement to resolve the payment of the arrears of rent owed by Debtor and ensure prompt payment of future rent, on October 1, 2021, Petitioner had no choice than to serve upon Debtor a second notice of termination (hereinafter the "**Second Notice**") requesting, within a delay of five (5) days as provided for under the Sublease, that Debtor vacate and surrender the Premises, the whole as it more fully appears from a copy of the Second Notice, communicated herewith as **Exhibit R-18**;
34. Notwithstanding the above, The Debtor failed and refused to remit vacant possession of the Premises to Petitioner;
35. On October 5, 2021, the Landlord sent a second *Notice of redemption of Deposit*, redeeming the balance of the deposit provided by the Debtor, as it appears from a copy of such Notice, communicated herewith as **Exhibit R-19**;

IV. AMOUNTS OWING TO CONCENTRIC BY AVI-LAB

36. As of the present date, the unpaid amounts owed to Petitioner total \$121,628.31, to be perfected, and notwithstanding Petitioner's potential other claims under the Sublease as broken down hereunder:

	Amount:
Basic Rent and Additional Rent for the month of July 2021, due on July 1 st , 2021 (inclusive of Sales Taxes):	\$44,587.01
Basic Rent and Additional Rent for the month of August 2021, due on August 1 st , 2021 (inclusive of Sales Taxes):	\$44,587.01

Basic Rent and Additional Rent for the month of September 2021, due on September 1 st , 2021 (inclusive of Sales Taxes):	\$44,587.01
Basic Rent and Additional Rent for the month of October 2021, due on October 1 st , 2021 (inclusive of Sales Taxes):	\$44,587.01
Overdue utilities (Energir):	\$43,280.27
Less: Amounts paid directly to Manulife on September 16, 2021 and October 5, 2021, pursuant to the Notice of Partial Redemption of Deposit and the Notice of redemption of Deposit:	(\$100,000.00)
Total:	\$121,628.31\$, to be perfected and not including damages and fees.

37. As a result, Petitioner has an unsecured claim towards Debtor for a sum of at least \$121,628.31;

38. Debtor is clearly indebted towards Petitioner for more than \$1,000.00;

V. INDEBTEDNESS TOWARDS OTHER CREDITORS AND DEFAULT

Caisse Desjardins du Plateau Mont-Royal

39. On or about April 7, 2020, in light of Avi Lab's defaults, Caisse Desjardins du Plateau Mont-Royal (the "Caisse") served and published in the RPMRR a prior notice of exercise of a hypothecary recourse of sale by judicial authority, the whole as appears from Exhibit R-15;

40. On or about August 13, 2020, in light of Avi Lab's failure to cure the defaults alleged in the prior notice, Exhibit R-15, the Caisse instituted a *Demande Introductive d'Instance – Délaissement forcé et vente sous contrôle de Justice* in court file bearing number 500-17-113217-205 of the records of this Court (the "Action"), the whole as appears from a copy of said application, communicated herewith as **Exhibit R-20**;

41. On or about April 14, 2021, the Caisse obtained judgment on its Action, granting same and authorizing the sale by judicial authority of the universality of Avi Lab's moveable assets and condemning it and Mr. Sarhang to pay the sum of \$359,037.78 plus interest to the Caisse, the whole as appears from a copy of said judgment, communicated herewith as **Exhibit R-21**;

42. On or about August 20, 2021, notices of execution of the Caisse's judgment, Exhibit R-21, were issued at the request of the Caisse against Avi Lab and against Mr. Sarhang, the whole as appears from copies of the said notices, communicated herewith en liasse as **Exhibit R-22**;
43. Petitioner is advised by counsel for the Caisse that the indebtedness under the Caisse's Judgment, Exhibit R-21, remains largely unpaid;

Agence du Revenu du Québec

44. On or about July 2nd, 2021, the Agence du Revenu du Québec (the "**ARQ**") obtained a judgment in court file bearing number 500-05-085323-218 of the records of this Honourable Court, condemning Avi Lab to pay to the ARQ the sum of \$210 797,10 plus interest, the whole as appears from a copy of said judgment, communicated herewith as **Exhibit R-23**;
45. On or about July 28, 2021, a Notice of execution of the ARQ's judgment, Exhibit R-23, was issued at the request of the ARQ against Avi Lab, the whole as appears from copies of the said notice, communicated herewith as **Exhibit R-24**;

The Commission des Normes, de l'Équité de la Santé et de la Sécurité du Travail

46. On or about March 24, 2021, The Commission des Normes, de l'Équité de la Santé et de la Sécurité du Travail (« **CNESST** ») instituted a *Demande Introductive d'Instance Amendée* in court file bearing number 500-22-265986-219 of the records of the Court of Québec, civil division, for the judicial district of Montreal, the whole as appears from a copy of said application, communicated herewith as **Exhibit R-25**;
47. On or about July 6, 2021, the CNESST obtained a judgment on its *Demande Amendée*, condemning Avi Lab to pay to the CENSST the sum of \$10,174.28 plus interest, the whole as appears from a copy of said judgment, communicated herewith as **Exhibit R-26**;

VI. ACTS OF BANKRUTPCY

48. The Debtor has committed the following acts of Bankruptcy within the six (6) months immediately preceding the filing of this application:
 - (a) As per Section 42 paragraph (e) of the BIA, the Debtor permitted executions or other processes issued against it under which its property has been seized or taken in execution, and remained unsatisfied for more than the prescribed delays;
 - (b) As per Section 42 paragraph (j) of the BIA, the Debtor committed acts of bankruptcy in that it has ceased to meet its liabilities generally as they become due, and has continued to do so;

VII. CONCLUSIONS

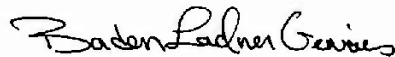
49. It is therefore in the interests of the creditors of the Debtor that the present Application be granted and that a Bankruptcy Order be rendered against Debtor, which shall allow the appointment of a trustee.

50. MNP Ltd. (Sheri Aberback, CIRP, LIT, CFE) doing business at 1155, René-Lévesque Blvd West, 23rd floor, Montreal, Quebec H3B 2K2, is qualified to act as trustee of the Debtor' estate and accepts to act as such, as appears from a copy of a letter dated October 19, 2021, communicated herewith as **Exhibit R-27**;
51. The present application is well founded in facts and in law.

WHEREFORE, THE PETITIONER PRAYS, BY JUDGMENT TO INTERVENE HEREIN, THIS HONORABLE COURT TO:

- [1] **GRANT** the present *Application for a Bankruptcy Order* (the "**Application**");
- [2] **ORDER** that the time for service of the present Application be abridged and that the Application is properly presentable and **DECLARE** that the service of the Application constitutes good and sufficient service on all persons and further **DECLARE** that all parties are relieved of any further requirement for service of the Application;
- [3] **ISSUE** a Bankruptcy Order against Avi Life-Lab Inc. (the "**Debtor**");
- [4] **DECLARE** the Debtor bankrupt;
- [5] **DESIGNATE** MNP Ltd. (Sheri Aberback, CIRP, LIT, CFE) doing business at 1155, René-Lévesque West, 23rd floor, Montreal, Quebec H3B 2K2, trustee in bankruptcy of the Debtor;
- [6] **ORDER** the provisional execution, notwithstanding appeal and without having to provide any guarantee or security for costs whatsoever; and
- [7] **THE WHOLE** with costs against the estate of the Debtor.

Montréal, October 20, 2021



Borden Ladner Gervais LLP
Lawyers for Petitioner

AFFIDAVIT

I, the undersigned, **ASHLEY SOLOMON**, businessman, having a place of business at 190 Agri Park Road, in the City of Oak Bluff, Province of Manitoba, R4G OA5, having been duly sworn, do depose and solemnly affirm that:

1. I am a representative of the Petitioner and duly authorized for the purposes hereof;
2. All the facts alleged in the *Application for Bankruptcy Order* to which this affidavit is attached are, within my own knowledge, true.

**AND I HAVE SIGNED
in the City of Winnipeg,
Province of Manitoba
This 20th day of October, 2021**

E-SIGNED by Ashley Solomon
on 2021-10-20 14:36:25 EDT

ASHLEY SOLOMON

SWORN BEFORE ME over video)
teleconference this 20th day of October,)
2021. The affiant was located in)
Winnipeg, Manitoba, while the)
commissioner, Marie-Claude Dey, was)
located in St-Jean-sur-Richelieu,)
Quebec.)

E-SIGNED by Marie-Claude Dey)
on 2021-10-20 14:37:34 EDT)

**Marie-Claude Dey, 202223)
A Commissioner for Taking Affidavits)
outside of the Province of Québec)**

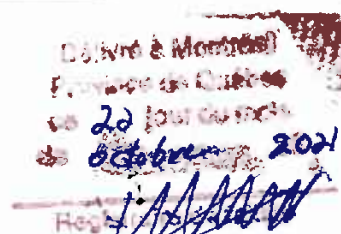
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**NOTICE OF PRESENTATION
COMMERCIAL (COURT ROOM 16.10)**

TO: AVI LIFE-LAB INC.
7220 Frederick Banting Street
Suite 200
Montréal, Québec H4S 2A1

MNP LTD.
c/o Sheri Aberback, CIRP, LIT CFE
1155 René-Lévesque West
23rd Floor
Montreal, Qc H3B 2K2
Sheri.aberback@mnp.ca

**Office of the Superintendent of
Bankruptcy**
1155 Metcalfe
Suite 950
Montreal, Qc H3B 2V6
lc.osbservice-bsfservice.ic@canada.ca


M^e VINCENT-MICHEL AUBÉ
Registraire

1. PRESENTATION OF THE PROCEEDING

TAKE NOTE that the *Application for a Bankruptcy Order* will be presented in the Commercial Practice Division of the Superior Court, in Courtroom 16.10 of the Montréal Courthouse, during the **virtual calling of the roll** on the **5th day of November, 2021**, at **8:45 a.m.**, or as soon as counsel may be heard.

2. HOW TO JOIN THE VIRTUAL CALLING OF THE ROLL IN PRACTICE DIVISION

The contact information to join the calling of the roll of room 16.10 is as follows:

(a) **using Teams:** open the permanent link established for room **16.10**¹.

You must then enter your name and click "Join Now". To facilitate the process and the identification of participants, we ask that you enter your name in the following manner:

Lawyers:	Mtre. [Name], [Surname], ([name of the party being represented])
Trustees:	[Name], [Surname] (trustee)
Superintendent:	[Name], [Surname] (superintendent)

¹ The permanent links for the Montreal courthouse rooms can also be found in the document entitled **Liens TEAMS pour rejoindre les salles du Palais de justice de Montréal en matière commerciale, civile et familiale** under the heading *Audiences virtuelles* found on the Superior Court of Québec website at : <http://www.tribunaux.qc.ca/c-superieure/index-cs.html>

Parties not represented by a lawyer: [Name], [Surname] (specify: Petitioner, defendant, applicant, respondent, creditor, opposing party, or other)

For persons attending a public hearing: Simply indicate "public".

(b) **by telephone:**

Canada, Québec (Charges will apply): +1 581-319-2194

Canada (Toll free): (833) 450-1741

Conference ID: 820 742 874#

(c) **by videoconference:** teams@teams.justice.gouv.qc.ca

VTC Conference ID: 11973653703

(d) **in person:** if and only if you do not have access to one of the above-mentioned technological means. You may then go to room 16.10 of the Montreal Courthouse, located at:

1 Notre-Dame St. East, Montréal, Québec

3. FAILURE TO PARTICIPATE IN THE VIRTUAL CALLING OF THE ROLL

TAKE NOTE that if you wish to contest the proceeding, you must inform in writing the party that initiated the proceeding at the contact information indicated in this notice of presentation at least 48 hours before the date of presentation of the proceeding and participate in the virtual calling of the roll. Otherwise, a judgment may be rendered against you during the presentation of the proceeding, without further notice or delay.

4. OBLIGATIONS

(i) Duty of cooperation

TAKE NOTE that you are duty-bound to co-operate and, in particular, to keep one another informed at all times of the facts and particulars conducive to a fair debate and to make sure that relevant evidence is preserved (*Code of Civil Procedure*, art. 20).

(ii) Dispute prevention and resolution processes

TAKE NOTE that before referring your dispute to the Court, you must consider private dispute prevention and resolution processes, which consist of negotiation between the parties as well as mediation and arbitration, in which the parties call on a third person to assist them (*Code of Civil Procedure*, art. 2).

Montreal, October 20, 2021

Borden Ladner Gervais

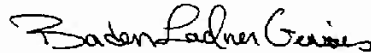
BORDEN LADNER GERVAIS LLP
Attorneys for the Petitioner

LIST OF EXHIBITS

- EXHIBIT R-1:** *État des Renseignements sur une personne morale in the Registre des Entreprises du Québec* concerning Petitioner;
- EXHIBIT R-2:** *État des Renseignements sur une personne morale in the Registre des Entreprises du Québec* concerning the Debtor;
- EXHIBIT R-3:** Copy of the Head Lease dated November 13, 2014;
- EXHIBIT R-4:** Copy of a deed of sale, signed under private writing on December 14, 2017;
- EXHIBIT R-5:** Copy of the a first amendment to the Head Lease dated June 7, 2017;
- EXHIBIT R-6:** Copy of the *Offer to Sublease Office and Laboratory Space* dated May 21, 2020;
- EXHIBIT R-7:** Copy of the *Amended Consent by Landlord to Sublease* dated July 17, 2020;
- EXHIBIT R-8:** Copy of the demand letter dated November 5, 2020 and its proof of service;
- EXHIBIT R-9:** Copy of the demand letter dated July 29, 2021 and its proof of service;
- EXHIBIT R-10:** Copy of US press release;
- EXHIBIT R-11:** Copy of Canadian press releases;
- EXHIBIT R-12:** Copy of the *Notice of Ipso Facto Termination of Sublease* dated September 2, 2021;
- EXHIBIT R-13:** Copy of the the Landlord sent a *Notice of default and demand for payment* dated September 7, 2021;
- EXHIBIT R-14:** Extracts of the RPMRR with respect to hypothecs;
- EXHIBIT R-15:** Extract of the RPMRR with respect to the prior notice;
- EXHIBIT R-16:** Email sent by the Debtor's attorney on September 7, 2021;
- EXHIBIT R-17:** Copy of the Landlord *Notice of partial redemption of Deposit* dated September 16, 2021;
- EXHIBIT R-18:** Copy of the second notice of termination dated October 1st, 2021;
- EXHIBIT R-19:** Copy of the Landlord second *Notice of redemption of Deposit* dated October 5, 2021;

- EXHIBIT R-20:** Copy of the *Caisse Demande Introductive d'Instance – Délaissement forcé et vente sous contrôle de Justice* in court file bearing number 500-17-113217-205;
- EXHIBIT R-21:** Copy of the Caisse judgment granting same and authorizing the sale by judicial authority dated April 14, 2021;
- EXHIBIT R-22:** Copy of notices of execution of the Caisse's judgment;
- EXHIBIT R-23:** Copy of the Agence du Revenu du Québec judgment in court file bearing number 500-05-085323-218;
- EXHIBIT R-24:** Copy of the Notice of execution of the ARQ's judgment;
- EXHIBIT R-25:** Copy of The Commission des Normes, de l'Équité de la Santé et de la Sécurité du Travail *Demande Introductive d'Instance Amendée* in court file bearing number 500-22-265986-219;
- EXHIBIT R-26:** Copy of the CNESST judgment dated July 6, 2021;
- EXHIBIT R-27:** Copy of MNP letter dated October 19, 2021.

Montreal, this October 20, 2021



BORDEN LADNER GERVAIS LLP
Attorneys for the Petitioner

SUPERIOR COURT
(Commercial Division)

DISTRICT OF MONTRÉAL

No.: 500-11-060344-211

IN THE MATTER OF THE BANKRUPTCY OF:

AVI LIF-LAB INC.

Debtor

and

CONCENTRIC AGRICULTURE INC.

Petitioner

APPLICATION FOR A
BANKRUPTCY ORDER
(Section 42 and 43 of the *Bankruptcy and
Insolvency Act*)

ORIGINAL

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