

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

-and-

2481043 ONTARIO INC.

Respondent

**MOTION RECORD
(Motion Returnable May 24, 2018)**

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as court-appointed receiver of the
assets, undertakings and properties of
2481043 Ontario Inc.**

To: Service List

Service List

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16 Wellesbourne Cres.
Toronto, ON M2H 1Y7

HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE

Canada Customs and Revenue Agency
185 Ouellette Ave.
Windsor, Ontario N9A 7G7

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**ONTARIO
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INDEX

Tab Document

1	Notice of Motion dated May 17, 2018
A	Draft Order
2	First Report of the Receiver dated May 16, 2018
A	Receivership Order dated December 15, 2017
B	Pre-Filing Report dated May 19, 2017
C	Receiver's Interim Statement of Receipts and Disbursements
D	Correspondence with A. Jiang
E	PPSA Search
F	Title Abstract
G	Agreement of Purchase and Sale dated March 19, 2018, as amended by the Reinstatement and Amendment of Agreement of Purchase and Sale dated May 10, 2018 (Redacted)
H	Affidavit of Sheldon Title sworn May 16, 2018
I	Affidavit of Michael Kril-Mascarin sworn May 17, 2018

TAB 1

Court File No. CV-17-11800-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

-and-

2481043 ONTARIO INC.

Respondent

NOTICE OF MOTION

MNP Ltd., in its capacity as court-appointed receiver (in such capacity, the “**Receiver**”) of the assets, undertakings and properties of the Respondent, will make a motion to a Judge on Thursday, May 24, 2018 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. an order substantially in the form attached hereto as **Schedule “A”**, *inter alia*:

- (a) if necessary, abridging the time for service and filing of this Notice of Motion and the Motion Record of the Receiver, and dispensing with service on any person other than those served;
 - (b) approving the sale transaction (the “**Budget Transaction**”) under the Budget APS (as defined below); and
 - (c) vesting the Purchased Assets (as defined in the Budget APS) in Don Mills Storage Inc. free and clear of all claims and encumbrances;
2. an order sealing the confidential appendices to the First Report of the Receiver dated May 16, 2018 (the “**First Report**”) until the filing of the Receiver’s certificate confirming completion of the Budget Transaction or further order of this Court;
3. an order authorizing and directing the Receiver to make distributions to the Applicants as described in the First Report;
4. an order approving the activities and fees and disbursements of the Receiver and its counsel, Chaitons LLP (“**Chaitons**”) as described in the First Report;
5. an order discharging the Receiver upon its filing a certificate with the court confirming that the administration of the receivership has been completed; and
6. such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background

1. The Applicants financed the acquisition of the lands and premises municipally described as 1450 Don Mills Road, Toronto (the “**Don Mills Property**”) by 2481043 Ontario Inc. (the “**Debtor**”) by way of a loan in September 2015 and hold a mortgage registered on title to the Don Mills Property securing the principal sum of \$30 million (the “**248 Charge**”).
2. The Don Mills Property is comprised primarily of a three-storey low rise commercial office development situated on a 4.5-acre site. Constructed circa 1985, the office building encompasses approximately 157,000 square feet and was the former head office of the National Post newspaper. The building is, as of the date of this Report, completely vacant.
3. By Order of the Court dated December 15, 2017 (the “**Appointment Order**”), the Receiver was appointed over all of the assets, undertakings and properties of the Debtor, including the Don Mills Property.
4. Pursuant to the Appointment Order, the leasing and sale process (the “**Marketing Process**”) recommended in the Pre-Filing Report of MNP Ltd. dated May 19, 2017 (the “**Pre-Filing Report**”) was approved, and the Receiver was authorized to carry out the Marketing Process.

Receiver's Activities to Date

5. Since the date of its appointment, the Receiver has, *inter alia*:
- (a) taken possession of the Don Mills Property;
 - (b) appointed a property manager to assist with managing and maintaining the property and supervised its activities;
 - (c) arranged for insurance coverage for the Don Mills Property;
 - (d) contacted the City of Toronto to provide it with notification of the receivership and independently investigated the status of any tax appeals, vacancy refunds and reconsideration requests, and filed a vacancy refund in respect of the 2017 tax year;
 - (e) attended at the examination of Mr. Jiang in his capacity as a representative of 248 ONT, held on February 22, 2018, after he missed meetings he had scheduled with the Receiver's representatives and failed to respond to questions posed to him in writing by the Receiver and its counsel;
 - (f) contacted Canada Revenue Agency ("**CRA**") to investigate alleged arrears of Harmonized Sales Tax ("**HST**") in the amount of \$449,650.78 (the "**HST Claim**"), and the related registration of a lien filed by CRA against title to the Property in that amount;

- (g) arranged for a building condition report and an appraisal in respect of the Property;
- (h) consulted from time to time with stakeholders in respect to the administration of the receivership;
- (i) managed the receipts and disbursements related to the operation of the Property; and
- (j) with the assistance of CBRE, taken such measures as were necessary to assist in, supervise and facilitate the Marketing Process.

The Marketing Process

6. The Receiver entered into listing agreements for the sale and lease of the Property with CBRE on January 2, 2018 and January 5, 2018, respectively. The Property was offered for sale without a list price, utilizing the Multiple Listing Service.
7. CBRE marketed the Property by taking the following steps:

<i>Date</i>	<i>Activity</i>	<i># of parties</i>
<i>January 11, 2018 January 25, 2018 February 7, 2018 February 21, 2018</i>	<i>Marketing brochures were distributed via email to potential purchasers</i>	<i>2,891</i>
<i>Week of January 22, 2018</i>	<i>Distribution of marketing postcard</i>	<i>4,579</i>
<i>February 6, 2018 and February 8, 2018</i>	<i>Advertisement in Globe and Mail newspaper</i>	

8. Interested parties were invited to submit a proposal in a Letter of Intent format by no later than 5 p.m. on February 27, 2018. Thirty-four (34) parties signed a confidentiality agreement, which granted them access to a virtual data room containing information relating to the Property. Eight (8) parties submitted Letters of Intent.
9. The Receiver requested that all eight bidders consider submitting revised offers by March 9, 2018. The Receiver provided these bidders with a template form of Agreement of Purchase and Sale. Bidders were asked to provide the Receiver with their offer blacklined against the template. Five of the eight bidders submitted a revised offer.
10. The Marketing Process culminated in the Receiver negotiating and entering into an Agreement of Purchase and Sale with Budget Acquisitions Inc. (“**Budget**”) dated March 19, 2018, which was subject to a condition in favour of Budget relating to environmental, structural and geotechnical investigations to be satisfied or waived over a 45-day period (the “**Conditional Period**”). The said condition was not waived during the Conditional Period. Following expiry of the Conditional Period and after the exchange of certain information regarding the results of Budget’s investigations, the Receiver negotiated with Budget and the parties signed the Reinstatement and Amendment of Agreement of Purchase and Sale dated May 10, 2018. The Agreement of Purchase and Sale dated March 19, 2018, as amended by the Reinstatement and Amendment of Agreement of Purchase and Sale dated May 10, 2018, is hereby referred to as the “**Budget APS**”.
11. On May 16, 2018, Budget assigned its interest in the Budget APS to Don Mills Storage Inc. (the “**Purchaser**”), a related party.

The Budget Transaction

12. The salient terms of the Budget APS include:
 - (a) the Purchaser is acquiring the Don Mills Property on an 'as is, where is' basis;
 - (b) the Purchaser acknowledges and agrees that it has no right, title and/or interest in the vacancy rebate for the periods prior to the Date of Closing;
 - (c) the transaction is conditional on obtaining a sale approval and vesting order to be in form and substance that of the model form of approval and vesting order; and
 - (d) the Date of Closing is June 22, 2018.

13. The Receiver recommends the approval of the APS for the following reasons:
 - (a) as a result of conducting the Marketing Process, the Don Mills Property has been fully exposed to the market;
 - (b) the Marketing Process attracted interest from parties in the self storage industry, who would benefit from the Property's large floor plate and the existing zoning permitting a buildable density of approximately 1.5 times the lot area, which may allow for 138,990 square feet of additional office space, presenting both an investment opportunity or future redevelopment site. CBRE advised that the interested parties in the self-storage industry were potentially willing to offer more than a purchaser looking to acquire the Don Mills Property as is, and

accordingly, it targeted prospective purchasers from, and the Receiver concluded a transaction with, a member in that industry;

- (c) it is the Receiver's view that the purchase price under the APS is commercially reasonable and represents the maximum possible price in these circumstances;
- (d) the proposed purchase price is greater than the appraised value of the Don Mills Property; and
- (e) the Applicants support the transaction. As explained below, it is expected that the net proceeds of the transaction to be distributed to the Applicants will not result in full repayment of the amounts owed by the Debtor.

14. The Receiver therefore recommends the approval of the Budget APS by this Court.

Sealing Order

15. The Receiver respectfully requests that the confidential appendices to the First Report be sealed pending completion of the Budget Transaction or further order of the court, as the documents contain confidential information. If these documents are not sealed, and if the Budget Transaction is not completed for any reason, the information in these documents may negatively impact realizations in the event the Receiver has to re-market the Don Mills Property for sale.
16. The Receiver is not aware of any party that will be prejudiced if this information is sealed.

Approval of Activities and Fees

17. In the First Report, the Receiver had included a detailed description of its activities, its fees and disbursements, and the fees and disbursements of its lawyers, Chaitons LLP.
18. It is respectfully submitted that these activities, fees and disbursements are reasonable and appropriate and should be approved by this Court.

Distributions to the Applicants

19. Chaitons has provided to the Receiver a security opinion regarding the Applicants' security as against the Debtor. Chaitons is of the view that, subject to certain standard assumptions and qualifications, the Applicants' security is valid and enforceable in accordance with its terms as against the Don Mills Property and the Debtor's personal property.
20. Based on the Receiver's review, the Debtor's indebtedness to the Applicants was approximately \$22,870,789 as of March 20, 2018. After repayment of the Receiver's Borrowings, payment of commissions, property tax arrears, and payment of the Receiver's fees and expenses to date plus a reserve for the Receiver's anticipated fees and expenses to complete the administration of the receivership (collectively, the "**Priority Payments**"), it is expected that the Applicants will suffer a shortfall. Accordingly, the Receiver recommends that the Court authorize the Receiver to distribute to Trez the net proceeds from the Budget Transaction (the remaining funds after deducting payment of the Priority Payments). as well as the vacancy refund when it is received.

Discharge

21. After closing the Budget Transaction and distributing the net proceeds in its possession (including any vacancy refund), the Receiver will have completed all necessary steps to administer the receivership estate.
22. As a result, the Receiver is requesting that the Court grant an order discharging it as Receiver upon the Receiver filing a certificate with the Court confirming that it has completed all remaining steps in the receivership estate.

Other

23. Rules 2.03, 3.02 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.
24. Such further and other grounds as counsel may advise and this Honourable Court permits.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The First Report; and
2. such further and other material as counsel may advise and this Court permits.

Dated: May 17, 2018

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9

George Benchetrit (LSUC #34163H)

Tel: (416) 218-1141

Fax: (416) 218-1841

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Lawyers for the Receiver

TO: THE SERVICE LIST

Schedule A

service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all tenancies, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated December 15, 2017; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule B** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule C**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in **Schedule D** hereto

(the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule B hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver’s Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company’s records pertaining to the Debtor’s past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or

avoidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-17-11800-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicant

- and -

2481043 ONTARIO INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway dated December 15, 2017, MNP Ltd. was appointed as the receiver (the “**Receiver**”) of all of the assets, undertakings and properties of 2481043 Ontario Inc. (the “**Debtor**”), including all proceeds therefrom.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the “**Sale Agreement**”) between the Receiver and [NAME OF PURCHASER] (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

MNP Ltd., solely in its capacity as court-appointed Receiver of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

Schedule B – Claims to be deleted and expunged from title to Real Property

1. Instrument No. AT4018126 registered September 25, 2015, being an Application to register Vesting Order by Ontario Superior Court of Justice.
2. Instrument No. AT4018127 registered September 25, 2015, being a Charge from 2481043 Ontario Inc. in favour of Computershare Trust Company of Canada securing the principal amount of \$30,000,000 (“**Computershare Charge**”).
3. Instrument No. AT4139375 registered February 5, 2016, being a Notice amending Computershare Charge.
4. Instrument No. AT4377751 registered October 21, 2016, being a Notice relating to Computershare Charge.
5. Instrument No. AT4377752 registered October 21, 2016, being a Notice of General Assignment of Rents pledged in connection with Computershare Charge.
6. Instrument No. AT4746898 registered November 30, 2017, being a Lien registered by Her Majesty the Queen in tight of Canada as represented by the Minister of National Revenue.
7. Instrument No. AT4779080 registered January 12, 2018, being an Application to register a Court Order by Ontario Superior Court of Justice Commercial List.

**Schedule C – Permitted Encumbrances, Easements and
Restrictive Covenants related to the Real Property
(unaffected by the Vesting Order)**

1. Instrument No. NY380043 registered March 28, 1962 being a Transfer of Easement in favour of the Hydro-Electric Commissions of the Township of North York.
2. Instrument No. 64BA723 registered October 17, 1975 being a registration described as “Plan Boundaries Act”

Schedule D – Legal Description

PIN: 10117-0593 (LT)

Description: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T NY380043;
TORONTO (N YORK), CITY OF TORONTO

TAB 2

Court File No.: CV-17-11800-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

- and -

2481043 ONTARIO INC.

Respondent

**FIRST REPORT OF THE RECEIVER
MAY 16, 2018**

INTRODUCTION AND PURPOSE

1. MNP Ltd. (“**MNP**”) was appointed as receiver (the “**Receiver**”) without security, of all the assets, undertakings and properties of 2481043 Ontario Inc. (“**248 ONT**”) pursuant to the order of the Honourable Madam Justice Conway dated December 15, 2017 (the “**Receivership Order**”). A copy of the Receivership Order is attached as **Appendix “A”**.
2. 248 ONT’s primary asset is a three-storey low rise commercial office development situated on a 4.5-acre site located at 1450 Don Mills Road in the City of Toronto, Ontario (the “**Property**”). Constructed circa 1985, the office building encompasses approximately 157,000 square feet and was the former head office of the National Post newspaper. The building is vacant; a party related to 248 ONT previously occupied approximately 2,000 square feet in the office building that forms part of the Property.
3. Prior to its appointment, MNP prepared a report dated May 19, 2017 (the “**Pre-Filing Report**”), a copy of which was submitted to the Court for the purpose of the hearing for

the appointment of the Receiver, and is attached hereto, without appendices, as **Appendix “B”**. The Pre-Filing Report detailed the Marketing Process, as such term is defined therein, that MNP proposed undertaking to sell the Property, if appointed.

4. The Receivership Order included approval of the Marketing Process and authorized the Receiver to carry out the Marketing Process.
5. The Receivership Order together with other court and statutory reports have been posted to the Receiver’s website, which can be found at: <http://mnpdebt.ca/en/corporate/engagements/2481043-ontario-inc>.
6. The purpose of this Report is to:
 - a. describe the Receiver’s activities since the date of its appointment;
 - b. describe the results of the Marketing Process; and
 - c. request that this Court issue the following orders:
 - i. authorizing and directing the Receiver to enter into and carry out the terms of the APS (defined below), and vesting title in and to the Property in Don Mills Storage Inc. (the “**Purchaser**”), as assignee of the APS from Budget Acquisitions Inc., upon the closing of the transaction contemplated by the APS;
 - ii. sealing the confidential appendices described below until the Receiver files a certificate confirming that the transaction under the APS (the “**Don Mills Transaction**”) has been completed;

- iii. approving the Receiver's fees and disbursements, including the fees and disbursements of Chaitons LLP ("**Chaitons**"), the Receiver's independent counsel;
- iv. authorizing and directing the Receiver to make the distributions to Trez Capital Limited Partnership, Trez Capital (2011) Corporation and Computershare Trust Company of Canada (collectively referred to as "**Trez**" or the "**Lenders**"), as detailed in paragraph 42 below;
- v. approving the conduct and activities of the Receiver as described in herein;
- vi. discharging MNP as Receiver upon the Receiver filing a certificate with the Court that all matters have been completed, and releasing the Receiver from any and claims and liabilities, save and except for any gross negligence or willful misconduct on the Receiver's part;
- vii. authorizing the Receiver to dispose of the Books and Records (as such term is defined below); and
- viii. such other relief as the Court deems just.

TERMS OF REFERENCE

- 7. In preparing this Report, the Receiver has relied on the following information regarding the Property:
 - a. information provided by the Lenders and their counsel;
 - b. the Application Record, dated May 15, 2017;
 - c. the Affidavit of Philip Pincus sworn May 15, 2017;

- d. the Second Affidavit of Philip Pincus, dated October 2, 2017;
 - e. the Second Supplementary Application Record, dated November 30, 2017;
 - f. information provided by the officer and director of 248 ONT, Anchuan Jiang;
 - g. information provided by CBRE;
 - h. information provided by Cushman and Wakefield, the real estate brokerage firm retained by 248 ONT prior to the Receiver's appointment; and
 - i. information otherwise made available or provided to the Receiver and/or its counsel.
8. Except as described in this Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.

BACKGROUND

9. The Lenders financed the acquisition of the Property by 248 ONT by way of a loan in September 2015 (the "**Loan**") and hold a mortgage registered on title to the Property securing the principal sum of \$30 million (the "**248 Charge**").
10. Norstar Investment Consortium Inc. ("**Norstar**") owns all of the issued and outstanding shares of 248 Ontario.
11. Ontario International College Inc. ("**OICI**") guaranteed the obligations of 248 Ontario under the Loan.

12. On October 5, 2016, the Lenders entered into a Forbearance Agreement with 248 ONT, Norstar and OICI. Prior to entering into the Forbearance Agreement, on September 1, 2016, the Lenders had demanded repayment under the Loan and issued a Notice of Intention to Enforce Security pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (“**BIA**”). There were subsequent events of default under the Forbearance Agreement, including non-payment of property taxes.
13. As at May 10, 2017, 248 ONT was indebted to the Lenders in the amount of approximately \$22,476,000 plus per diem interest of approximately \$3,068 and unpaid disbursements and any other unpaid amounts in respect of the Loan.
14. The Lenders commenced this proceeding in May 2017. The hearing for the appointment of a receiver was adjourned on several occasions to (among other things) permit 248 ONT to sell or refinance the Property.
15. The Lenders ultimately proceeded with the hearing of the application on December 15, 2017, on which date the Receivership Order was granted.

ACTIVITIES OF THE RECEIVER

16. Since the date of its appointment, the Receiver has, *inter alia*:
 - a. taken possession of the Property and transferred the utilities’ accounts into the Receiver’s name. As described in more detail below, located at the Property was various office furniture and equipment (the “**Furniture**”) asserted by Mr. Jiang to be owned by himself or parties related thereto, as well as book, records and computers (the “**Books and Records**”), all of which are still located at the Property;
 - b. appointed Richmond Advisory Services Inc. (“**RAS**”) as property manager to assist with managing and maintaining the Property and supervised its activities;

- c. arranged to be added as an additional insured under 248 ONT's existing insurance coverage with Intact Insurance (the "**Existing Insurance**"), which policy expired on January 31, 2018. Prior to the expiry, the Receiver investigated the availability of alternative insurance coverage, and through the Receiver's insurance broker, arranged for the extension of the Existing Insurance, first to April 1, 2018 and then to July 1, 2018;
- d. arranged for RAS to carry out periodic inspections of the Property to, among other things, monitor the condition of the Property and to comply with insurance requirements;
- e. monitored the cash flows for the Property and borrowed \$75,000 and \$85,778¹ from Trez on January 24, 2018 and March 29, 2018, respectively (collectively, the "**Receiver's Borrowings**"), and issued Receiver's Certificates with an annual rate of interest of 7%. As detailed in the Receiver's Interim Statement of Receipts and Disbursements ("**SRD**"), attached hereto as **Appendix "C"**, these funds were required to fund payment of the operational expenses relating to the management, maintenance and preservation of the Property. To date, the Receiver has not applied any part of these funds towards the Receiver's fees or those of its legal counsel;
- f. contacted the City of Toronto to provide it with notification of the receivership and independently investigated the status of any tax appeals, vacancy refunds and reconsideration requests, and filed a vacancy refund in respect of the 2017 tax year;
- g. attended at the examination of Mr. Jiang in his capacity as a representative of 248 ONT, held on February 22, 2018, after he missed meetings he had scheduled with

¹ The Appointment Order authorizes borrowings of \$500,000.

the Receiver's representatives and failed to respond to questions posed to him in writing by the Receiver and its counsel;

- h. prepared and issued all statutory notices under the BIA;
- i. contacted Canada Revenue Agency ("CRA") to investigate alleged arrears of Harmonized Sales Tax ("HST") in the amount of \$449,650.78 (the "HST Claim"), and the related registration of a lien filed by CRA against title to the Property in that amount (discussed in more detail below);
- j. arranged for a building condition report and an appraisal in respect of the Property;
- k. consulted from time to time with stakeholders in respect to the administration of the receivership;
- l. managed the receipts and disbursements related to the operation of the Property;
- m. as detailed in paragraphs 35 to 38 below, and with the assistance of CBRE, took such measures as were necessary to assist in, supervise and facilitate the Marketing Process; and
- n. corresponded with Mr. Jiang responding to Mr. Jiang's request to remove the Furniture from the Property.

Furniture and Books and Records

17. The Receiver corresponded on January 24, 2018 and February 4, 2018 with Mr. Jiang with respect to his claim to that the Furniture is owned by himself or parties related thereto. The Receiver requested a list of contents claimed by Mr. Jiang, together with proof of ownership.
18. Chaitons also directed correspondence to Mr. Jiang's legal counsel dated February 13, 2018, with respect to the Furniture and other issues.
19. At his February 22, 2018 examination, Mr. Jiang deposed that the receipts for the purchase of the Furniture were stored somewhere other than the Property and could be produced within one week of the examination.
20. To date, Mr. Jiang has not produced any support for his claim to ownership of the Furniture.
21. Attached hereto collectively as **Appendix "D"** are copies of the correspondence described above.
22. The Books and Records have not been reviewed in detail by the Receiver. Mr. Jiang has not asked for access to or copies of the Books and Records.
23. The Receiver respectfully requests an order authorizing it to dispose of the Books and Records as upon the closing of the transaction contemplated by the APS and the distribution of the net proceeds to 248 ONT's creditors, the administration of the receivership will be substantially complete.

Building Maintenance

24. The Property was not adequately maintained prior to the Receiver's appointment.

25. Upon its appointment, the Receiver found the heating, ventilation and cooling system to be in a state of disrepair. The Receiver, through RAS, retained heating contractors to make necessary repairs to ensure that the Property had sufficient heat during the winter season.
26. RAS retained Onyx Fire Protection Services Inc. to carry out a fire safety inspection. This testing identified certain deficiencies in the fire safety equipment at the Property. The Receiver addressed those deficiencies with potential life safety concerns.

SECURED CREDITORS

27. A search of the *Personal Property Security Act* (Ontario) registration system (conducted by Receiver's counsel, with a file currency of May 14, 2018) revealed that the only registration against 248 ONT is in favour of the Lenders. Attached hereto as **Appendix "E"** is a true copy of the search results as of the aforesaid date.
28. A search of the title abstract reveals that the only registrations on title to the Property are (a) the 248 Charge and related security documents in favour of the Lenders, and (b) a lien registered by Her Majesty The Queen In Right Of Canada As Represented By The Minister Of National Revenue in respect of the HST Claim. Attached hereto as **Appendix "F"** is a true copy of the title abstract for the Property as of May 14, 2018.

Legal Opinion

29. Chaitons has provided to the Receiver a security opinion regarding Trez's security as against 248 ONT. Chaitons is of the view that, subject to certain standard assumptions and qualifications, Trez's security is valid and enforceable in accordance with its terms as against the Property and 248 ONT's personal property.

POTENTIAL STATUTORY PRIORITY CLAIMS

Canada Revenue Agency Claims

30. 248 ONT's failure to file HST returns for the period October 1, 2015 to September 30, 2017 resulted in CRA issuing to 248 ONT notional assessments for the HST Claim, and registering a lien against the Property.
31. During the Receiver's examination under oath of Mr. Jiang on behalf of 248 ONT, Mr. Jiang deposed that 248 ONT had not filed its HST returns for the period October 1, 2015 and September 30, 2015, nor maintained records to properly account for its HST activity. Mr. Jiang also deposed that the Property was vacant throughout its period of ownership, except for a small portion of the Property used by a related party, and accordingly, 248 ONT did not collect any rental revenue or HST. The Receiver is in the process of filing HST returns to reflect that there were no taxes collected, which should reverse the HST Claim.
32. Mr. Jiang also deposed that 248 ONT did not have any employees that could give rise to any deemed trust claim for unpaid source deductions.

Municipal Realty Taxes

33. As at May 1, 2018, the City of Toronto reflects outstanding property taxes in respect of the Property of \$505,427.80 (including penalties and interest). This balance is comprised of the following:

Tax Year	Amount
2017	\$207,151.14
2018	\$298,276.66
Total	\$505,427.80

34. The Receiver filed a vacancy refund application in respect of 2017 and intends on completing a further vacancy refund application for the period January 1, 2018 to the date of closing. The City of Toronto is phasing out the vacancy refund effective July 1, 2018. The vacancy refund is not factored into the above-noted tax arrears, but is estimated to be approximately \$159,500. The vacancy refund will likely be recovered after closing of the Don Mills Transaction.

MARKETING PROCESS

35. Prior to the receivership, 248 ONT retained Cushman and Wakefield as its broker to solicit interest in the Property. As noted in Philip Pincus's Supplementary Affidavits filed in these proceedings, a conditional offer negotiated by 248 ONT was terminated on or around November 28, 2017. The proposed purchaser in that transaction participated in the Marketing Process.
36. The Receiver entered into listing agreements for the sale and lease of the Property with CBRE on January 2, 2018 and January 5, 2018, respectively. The Property was offered for sale without a list price, utilizing the Multiple Listing Service.
37. After entering into the listing agreements, the Receiver corresponded regularly with CBRE staff to review the status of the Marketing Process. CBRE provided reporting letters to the Receiver as an overview of its marketing activities in the promotion of the Property.
38. The Marketing Process was conducted in the following phases:
- a. ***Underwriting & Due Diligence*** – CBRE completed its due diligence (preparation of Confidential Information Memorandum, financials, etc.) from the date the Receiver listed the Property until January 12, 2018, the date it launched the marketing campaign. CBRE delayed launch of its marketing program to January 12, 2018, in part, to avoid loss of momentum arising from the holiday season.

- b. **Marketing** – During the six-week campaign period, CBRE marketed the Property by taking the following steps²:

Date	Activity	# of parties
January 11, 2018 January 25, 2018 February 7, 2018 February 21, 2018	Marketing brochures were distributed via email to potential purchasers	2,891
Week of January 22, 2018	Distribution of marketing postcard	4,579
February 6, 2018 and February 8, 2018	Advertisement in Globe and Mail newspaper	
Throughout the Marketing Process	Telephone campaign targeting businesses in the surrounding area of the Property and businesses in the self-storage industry	

- c. **Submission of Expressions of Interest/Negotiations** –Interested parties were invited to submit a proposal in a Letter of Intent format by no later than 5 p.m. on February 27, 2018. Proposals were evaluated primarily on the consideration offered, the method of payment of the consideration, the prospective purchaser’s ability to complete the transaction, and the proposed date and conditions of closing. Thirty-four (34) parties signed a confidentiality agreement, which granted them access to a virtual data room containing information relating to the Property. Eight (8) parties submitted Letters of Intent.

² On January 15, 2018, the Receiver also sent an email message to all MNP partners and managers nationally advising each to consider making contacts and clients aware of the opportunity to acquire the Property.

- d. *Second Round of submissions*– The Receiver, after consulting with Trez, requested that all eight (8) bidders consider submitting revised offers by March 9, 2018. The Receiver provided these bidders with a template form of Agreement of Purchase and Sale. Bidders were asked to provide the Receiver with their offer blacklined against the template. Five (5) of the eight (8) bidders submitted a revised offer. A summary of the offers received in the two rounds of bidding is being filed with the Court as **Confidential Appendix “A”**.
- e. *Agreement* - The Marketing Process culminated in the Receiver negotiating and entering into an Agreement of Purchase and Sale with the Purchaser dated March 19, 2018, which was subject to a condition in favour of the Purchaser relating to environmental, structural and geotechnical investigations to be satisfied or waived over a 45-day period (the “**Conditional Period**”). The said condition was not waived during the Conditional Period. Following expiry of the Conditional Period and after the exchange of certain information regarding the results of the Purchaser’s investigations, the Receiver negotiated with the Purchaser and the parties signed the Reinstatement and Amendment of Agreement of Purchase and Sale dated May 10, 2018. The Agreement of Purchase and Sale dated March 19, 2018, as amended by the Reinstatement and Amendment of Agreement of Purchase and Sale dated May 10, 2018, is hereby collectively referred to as the “**APS**”, a copy of which is being filed with the Court as **Confidential Appendix “B”**. A redacted version of the APS is attached hereto as **Appendix “G”**.

THE APS

39. The salient terms of the APS include:
- a. the Purchaser is acquiring the Property on an ‘as is, where is’ basis;

- b. the Purchaser acknowledges and agrees that it has no right, title and/or interest in the Vacancy Rebate for the periods prior to the Date of Closing;
 - c. the transaction is conditional on obtaining Court approval of the sale and a vesting order to be in form and substance that of the Model Form of Approval and Vesting Order; and
 - d. the Date of Closing is June 22, 2018.
40. The Receiver recommends the approval of the APS for the following reasons:
- a. as a result of conducting the Marketing Process, the Property has been fully exposed to the market;
 - b. the Marketing Process attracted interest from parties in the self storage industry, who would benefit from the Property's large floor plate or footprint and the existing zoning permitting a buildable density of approximately 1.5 times the lot area, which may allow for 138,990 square feet of additional office space, presenting both an investment opportunity or future redevelopment site. CBRE advised that the interested parties in the self-storage industry were potentially willing to offer more than a purchaser looking to acquire the Property as is, and accordingly, it targeted prospective purchasers from, and the Receiver concluded a transaction with, a member in that industry;
 - c. it is the Receiver's view that the purchase price under the APS is commercially reasonable and represents the maximum possible price in these circumstances;
 - d. the proposed purchase price is greater than the value of the Property as appraised by Colliers International pursuant to a report dated January 4, 2018, a copy of which is being filed with the Court as **Confidential Appendix "C"**; and

- e. Trez supports the transaction. As explained below, it is expected that the net proceeds of the transaction to be distributed to Trez will not result in full repayment of the Loan.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

41. The SRD reflects the Receiver's activities in the administration of the receivership and reflects receipts over disbursements of \$34,924³ (the "**Excess Funds**").

DISTRIBUTION AND RESERVES

42. As at March 20, 2018, 248 ONT's indebtedness to Trez is approximately \$22,870,789. After repayment of the Receiver's Borrowings, payment of commissions, property tax arrears, and payment of the Receiver's fees and expenses to date plus a reserve for the Receiver's anticipated fees and expenses to complete the administration of the receivership (the "**Reserve**") (collectively, the "**Priority Payments**"), Trez will suffer a shortfall. Accordingly, the Receiver recommends that the Court authorize the Receiver to distribute to Trez the net proceeds from the Don Mills Transaction (the remaining funds after deducting payment of the Priority Payments). as well as the vacancy refund when it is received.
43. In order to complete the administration of the receivership requires the Receiver and its counsel to, *inter alia*, (i) attend to Court in respect of this motion; (ii) close the transaction contemplated by the APS; (iii) oversee the management of the Property until the completion of the sale; and (iv) manage receipts and disbursements related to the Property. Subject to any unforeseen complexities or complications, the Receiver anticipates these

³ The Excess of Receipts over Disbursements represents the funds remaining from borrowings pursuant to Receiver's Certificates after deducting the \$750,000 deposit advanced by the Purchaser.

fees and expenses will be approximately \$ 125,000.00, and proposes the Reserve be established at that amount.

PROFESSIONAL FEES AND DISBURSEMENTS

Receiver's Fees and Disbursements

44. The Receiver has issued two invoices covering its fees and disbursements for the period from April 26, 2017 to May 14, 2018, totalling \$112,889.08, inclusive of HST. Attached as **Appendix "H"** is the affidavit of Sheldon Title sworn May 16, 2018 describing the aforementioned fees and disbursements of the Receiver.

Legal Fees and Disbursements

45. Chaitons has issued several invoices covering its fees and disbursements for the period May 14, 2017 to May 15, 2018 totalling \$47,731.60, inclusive of HST. Attached as **Appendix "I"** is the affidavit of Michael Kril-Mascarin sworn May 16, 2018 describing the aforementioned fees and disbursements of Chaitons.
46. It is the Receiver's opinion that the fees and disbursements of Chaitons as described in the affidavit of Mr. Kril-Mascarin are fair and reasonable and justified in the circumstances, and accurately reflect the work done on behalf of the Receiver by Chaitons.
47. As noted in paragraph 14, the Lenders commenced this proceeding in May 2017, with the hearing for the appointment of the Receiver being adjourned on several occasions. The fees and disbursements of the Receiver and its counsel commence in April, 2017 and May, 2017, respectively, in advance of the first scheduled hearing date. These fees⁴, which

⁴ The Receiver's and Chaitons' account, in the amount of \$14,126.18 and \$4,308.13, inclusive of HST, respectively, are included in the fees reported in paragraphs 44 and 45.

include preparatory work related to the Marketing Process and the Pre-Filing Report, were previously paid by Trez.

SEALING OF CONFIDENTIAL APPENDICES

48. The Confidential Appendices described above contain financially sensitive information that may prejudice the Receiver's ability to complete the Don Mills Transaction or its ability to remarket the Property if the transaction does not close. The Receiver therefore respectfully requests that the Court issue an order sealing the Confidential Appendices until the Receiver files a certificate confirming that the Don Mills Transaction has been completed.

DISCHARGE


49. After closing the Don Mills Transaction and distributing the net proceeds in its possession (including any vacancy refund), the Receiver will have completed all necessary steps to administer the receivership estate.
50. As a result, the Receiver is requesting that the Court grant an order discharging it as Receiver upon the Receiver filing a certificate with the Court confirming that it has completed all remaining steps in the receivership estate.

CONCLUSION AND RECOMMENDATION

51. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief detailed in paragraph 6(c) of this Report.

All of which is respectfully submitted this 16th day of May 2018.

MNP LTD.,
in its capacity as the
Court-appointed Receiver of
2481043 Ontario Inc.
and not in its personal or corporate capacities

Per: 

Sheldon Title
Senior Vice President

Appendix "A"

Court File No. CV-17-11800-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



THE HONOURABLE MADAM)

FRIDAY, THE 15TH

JUSTICE CONWAY)

DAY OF DECEMBER, 2017)

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

- and -

2481043 ONTARIO INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION, made by Computershare Trust Company of Canada ("Computershare") as nominee for Trez Capital Limited Partnership and Trez Capital (2011) Corporation (the "Applicants") for an Order: (i) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing MNP Ltd. as receiver (the "Receiver") without security, of all of the assets, undertakings and properties of 2481043 Ontario Inc. (the "Debtor"); (ii) approving the marketing process as set out in the Pre-Filing Report of the Proposed Receiver dated May 19, 2017 (the "Pre-Filing Report"); and (iii) sealing the Confidential Appendices to the Pre-Filing Report, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavits of Philip Pincus sworn May 15, 2017, October 2, 2017 and November 30, 2017 and the Exhibits thereto, the Applicants' Application Record dated May 19, 2017, the Applicants' Supplementary Application Record dated October 2, 2017, the Applicants' Second Supplementary Application Record dated November 30, 2017 the consent of MNP Ltd. dated May 11, 2017 to act as the Receiver, the Pre-Filing Report, the consent of the Debtor and on hearing the submissions of counsel for the Applicants:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Applicants' Application Record, the Applicants' Supplementary Application Record and the Applicants' Second Supplementary Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP Ltd. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, including the lands and premises described in Schedule "A" (collectively, the "Property").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent

- 3 -

security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby

- 4 -

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,] shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- 5 -

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or

affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court

- 7 -

upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in

pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

25. **THIS COURT ORDERS** that notwithstanding paragraphs 21-24 inclusive, and as alternate thereto, the Receiver is hereby authorized to borrow money to fund the exercise of its powers and duties hereunder by way of advances from the Applicants, which advances shall be secured by the Applicants' security on the Property, with the same priority that may attach to such security.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL www.MNPdebt.ca/1450DonMills.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

- 13 -

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

MARKETING PROCESS

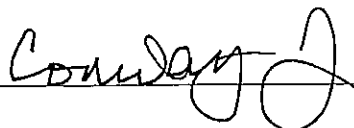
34. **THIS COURT ORDERS** that the Marketing Process substantially in the form set out in the Pre-Filing Report is hereby approved.

35. **THIS COURT ORDERS** that the Receiver is hereby authorized to carry out the Marketing Process and to take such steps and execute such documentation as may be necessary or incidental to the Marketing Process.

SEALING OF CONFIDENTIAL APPENDICES

- 14 -

36. **THIS COURT ORDERS** that Confidential Appendix "A" and Confidential Appendix "B" to the Pre-Filing Report be and is hereby sealed pending further Order of the Court.



ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 15 2017

PER / PAR:



SCHEDULE "A"
LEGAL DESCRIPTION OF THE PROPERTY

PIN: 10117-0593 (LT)

Description: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T
NY380043; TORONTO (N YORK), CITY OF TORONTO

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

- 2 -

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

MNP Ltd., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

robapp\3871971.3

Applicants
TREVZ CAPITAL LIMITED - and-
PARTNERSHIP ET AL.

Respondent
2481043 ONTARIO INC.

Applicants

Respondent

Court File No.: CV-17-11800-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the
Courts of Justice Act and Section 243 of the *Bankruptcy
and Insolvency Act*

PROCEEDING COMMENCED AT TORONTO

ORDER

ROBINS APPELBY LLP
Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSUC No.: 56871V
dmichaud@robapp.com
Tel: (416) 360-3795
Fax: (416) 868-0306

Lawyers for the Applicants

Appendix “B”

Court File No.: CV-17-11800-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

- and -

2481043 ONTARIO INC.

Respondent

**PRE-FILING REPORT OF THE PROPOSED RECEIVER
MAY 19, 2017**

INTRODUCTION AND PURPOSE

1. MNP Ltd. (“MNP”) understands that Computershare Trust Company of Canada, Trez Capital (2011) Corporation and Trez Capital Limited Partnership (collectively, the “Lenders”) intend to make an application to the Ontario Superior Court of Justice (the “Court”) for an order (the “Appointment Order”) appointing MNP as receiver (the “Receiver”) over the lands and premises municipally known as 1450 Don Mills Road, Toronto, Ontario (the “Property”).
2. MNP is a licensed trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act* (“BIA”). MNP has consented to act as Receiver in this proceeding in the event the Court grants the Appointment Order. In the context of this pre-filing report (the “Pre-Filing Report”), MNP is referred to as the “Proposed Receiver”.

3. The purpose of this Pre-Filing Report is to provide the Court with information in respect of:
 - a. background information about the Property;
 - b. the Proposed Receiver's proposed initial actions;
 - c. the process that the Proposed Receiver proposes to undertake in order to market the Property for lease and sale; and
 - d. the Lenders' request for the Court's approval of the Marketing Process (as such term is later defined below).

TERMS OF REFERENCE

4. In preparing the Pre-Filing Report, the Proposed Receiver has relied on information regarding the Property:
 - a. provided by the Lenders and their counsel;
 - b. contained in the Affidavit of Philip Pincus, sworn May 15, 2017 (the "**Pincus Affidavit**"); and
 - c. as otherwise made available or provided to the Proposed Receiver and its counsel.
5. This Pre-Filing Report should be read in conjunction with the Pincus Affidavit filed in support of the Lenders' application.
6. Except as described in this Pre-Filing Report, the Proposed Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.

BACKGROUND

Purpose of the Receivership

7. The Lenders financed the acquisition of the Property by 2481043 Ontario Inc. (“**248 Ontario**”) by way of a loan in September 2015 (the “**Loan**”) and hold a mortgage registered on title to the Property securing the principal sum of \$30 million (the “**248 Charge**”).
8. Norstar Investment Consortium Inc. (the “**Beneficial Owner**”) owns all of the issued and outstanding shares of 248 Ontario.
9. Ontario International College Inc. (the “**Guarantor**”) guaranteed the obligations of 248 Ontario under the Loan.
10. On October 5, 2016, the Lenders entered into a Forbearance Agreement with 248 Ontario, the Guarantor and the Beneficial Owner. Prior to entering into the Forbearance Agreement, on September 1, 2016, the Lenders made demand on the Loan and issued a Notice of Intention to Enforce Security pursuant to s.244 of the BIA. There have been subsequent events of default under the Forbearance Agreement, including non-payment of property taxes.
11. As at May 10, 2017, 248 Ontario was indebted to the Lenders in the amount of approximately \$22,476,000 plus per diem interest of approximately \$3,068 and unpaid disbursements and any other unpaid amounts in respect of the Loan.
12. The Lenders have commenced this proceeding in order seek the appointment of MNP as Receiver to conduct a court-supervised process to market the Property for lease or sale, as described below.

The Property

13. The Property is comprised primarily of a three-storey low rise commercial office development situated on a 4.5 acre site located at 1450 Don Mills Road in the City of Toronto, Ontario. Constructed circa 1985, the office building encompasses approximately

157,000 square feet and was the former head office of the National Post newspaper. The building is, as of the date of this report, almost completely vacant; a related party to the Beneficial Owner currently occupies approximately 2,000 square feet in the office building that forms part of the Property.

14. In the Toronto Northeast commercial real estate market, there is currently no other property of greater than 100,000 square feet publicly listed for sale.

Secured or Priority Claims

15. The Proposed Receiver understands from the Pincus Affidavit that there are no encumbrances registered on title to the Property other than the 248 Charge and related security documents in favour of the Lenders.
16. At this time, the Proposed Receiver has not sought from independent counsel a security opinion regarding the Lenders' security.

PROPOSED INITIAL ACTIONS

17. Should the receivership application be successful, the Proposed Receiver intends to, *inter alia*:
 - a. immediately take possession of the Property;
 - b. select a property manager to assist with managing and maintaining the Property;
 - c. assess the adequacy of existing insurance coverage or arrange for alternate insurance on the Property;
 - d. arrange for periodic inspections of the Property to, among other things, monitor the condition of the Property and to comply with insurance requirements;
 - e. monitor the cash flows for the Property and borrow funds, as required, to fund any necessary expenditures;
 - f. investigate the status of any tax appeals, vacancy refunds and reconsideration requests;

- g. arrange for a building condition report, an appraisal and an environmental assessment of the Property, if required; and
- h. commence the Marketing Process (defined below) if approved by the Court.

PROPOSED MARKETING PROCESS

18. The primary role of the Receiver will be to conduct a court-supervised leasing and sale process for the Property. The process contemplates a concurrent attempt to identify leasing and sale opportunities as the value of the Property and type of potential purchaser may increase and expand if the Property becomes tenanted.
19. Given the contemplated leasing aspect and in order to ensure that the market for the Property is fully and sufficiently covered, the Proposed Receiver believes that it would be most effective and efficient to retain a national real estate brokerage firm for this purpose.
20. The Proposed Receiver has obtained listing proposals from three well-known national real estate brokerages: CBRE, Colliers International and Avison Young Commercial Real Estate (Ontario) Inc. (the “**Realtors**”). A summary of these proposals from the Realtors is attached as **Confidential Appendix “A”**.
21. The Proposed Receiver is of the view that the proposal submitted by CBRE provides the best opportunity to the maximize realization on the Property, particularly given CBRE’s leasing experience in the Toronto Northeast commercial market, including its recent successes in dealing with properties greater than 100,000 square feet. A copy of CBRE’s proposal, which includes a description of the proposed leasing and sale process (the “**Marketing Process**”), is attached as **Confidential Appendix “B”**. Accordingly, the Marketing Process being sought for approval by this Court contemplates the Proposed Receiver engaging CBRE to conduct such sale and leasing process, as outlined below and in the confidential appendix.

22. The Marketing Process contemplated by CBRE is summarized as follows:

	SALE PROGRAM	LEASE PROGRAM
Pre-Marketing Stage (approximately 20 days)	<ul style="list-style-type: none"> Assemble due diligence materials and set-up on-line data room Preparation of marketing materials, including confidential information memorandum, flyers, etc. Execution of a listing agreement 	<ul style="list-style-type: none"> Preparation of marketing materials, including concept floor plans, renderings, etc. Execution of a listing agreement
Phase 1 of Marketing (approximately 45 days)	<ul style="list-style-type: none"> Email blast and mailing to network and brokers Targeted phone campaign to potential purchasers Property tours Commence MLS listing Advertisement of sale in national newspaper and other publication 	<ul style="list-style-type: none"> Email blast and mailing to network and brokers Targeted phone campaign to brokers and potential tenants Property tours Seek LOI's/Offer for lease
First Bid Deadline (at the end of Phase 1) <i>Move to Phase 2 of Marketing if no satisfactory offers received;</i>	<ul style="list-style-type: none"> Review bids, and request re-submission of competitive bids, as appropriate Negotiate agreement of purchase and sale 	
Phase 2 of Marketing (approximately 45 days) <i>If the First Bid Deadline does not procure any satisfactory offers</i>	<ul style="list-style-type: none"> New email blast to network and brokers Targeted phone campaign to potential purchasers Property tours 	<ul style="list-style-type: none"> Continue ongoing leasing campaign – as per the above in Phase 1
Final Bid Deadline (at the end of Phase 2) <i>If the First Bid Deadline does not procure any satisfactory offers</i>	<ul style="list-style-type: none"> Review bids, and request re-submission of competitive bids, as appropriate Negotiate agreement of purchase and sale 	

23. The Proposed Receiver is of the view that the Marketing Process will adequately target tenants that would be suitable to take advantage of the Property's large floor plate and create interest that could be leveraged in sales discussions. When weighing their decisions to purchase the Property, potential purchasers are expected to consider, among other things, the Property's location, physical and functional characteristics, and are also expected to consider the financial stability of the Property by evaluating the quality and nature of the tenancy in the building. By carrying out a dual lease and sale campaign, the selected realtor shall seek to identify a secure tenant to be the lead tenant in the Property, or alternatively to identify tenants that may be interested in leasing a large portion of the Property.
24. Under the proposed listing agreements with CBRE, the commission rates will be as follows:
 - a. Lease - \$1.50 per square foot of rentable area per annum (up to a 10 year term). CBRE is also authorized to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of \$1.00 per square foot of rentable area per annum (up to a 10 year term) out of the commission payable to the CBRE listing team; and
 - b. Sale - 2% of the sale price, or if CBRE listing team also represents the buyer, the commission will be reduced to 1.5% of the sale price. CBRE is also authorized to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 1% of the sale price out of the commission payable to the CBRE listing team.
25. At CBRE's recommendation, it is contemplated that the Receiver would offer the Property for sale without a list price, and utilizing the Multiple Listing Service.
26. The Receiver, with CBRE's assistance, will review and assess the bids received during the Marketing Process.
27. The Receiver will then look to enter into a binding agreement of purchase and sale for the Property, which it will present to this Court for approval, along with a reporting of the results of the Marketing Process.


28. Given the sensitive nature of the information in the Confidential Appendices, the Proposed Receiver respectfully recommends that this material be sealed pending completion of a sale transaction for the Property.

CONCLUSION AND RECOMMENDATION

29. Should the Court be inclined to appoint MNP as the Receiver in respect of the Property, given the foregoing, the Proposed Receiver recommends and respectfully requests that the Court grant an order:
- a. approving the Marketing Process; and
 - b. sealing Confidential Appendices “A” and “B”, pending the completion of a sale transaction for the Property.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 19TH DAY OF MAY, 2017.

MNP LTD.,
in its capacity as the
Proposed Court-appointed Receiver of
the property municipally known as 1450 Don Mills Road, Toronto, Ontario
and not in its personal or corporate capacities

Per: 
Matthew Lem
Senior Vice President

Appendix “C”

**MNP LTD.
RECEIVER OF 2481043 ONTARIO INC.**

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

AS AT MAY 16, 2018

	Total
Balance carried forward	\$
Receipts	
Advance from secured creditor	160,778
Deposit from Budget (Note 1)	750,035
Utility Refund	3,446
	<u>914,259</u>
Disbursements	
Filing fees paid to Official Receiver	70
Insurance	25,271
Bank Charges	126
Postage on general correspondence	7
Outside consulting - Pinchin	3,500
Outside consulting - Colliers	4,212
Outside consulting - Onyx	4,645
Outside consulting - Onyx (monthly inspections)	297
HST paid (ITC)	11,949
Property management/daily inspections/site visits	19,353
Snow Removal	2,600
Repair and Maintenance	3,206
Change of locks/security equipment	7,161
Utilities	46,683
Security	255
	<u>129,335</u>
Excess of Receipts over disbursements, before reserve	\$ 784,924
Less: Reserve for Deposit	\$ 750,000
Excess of receipts over disbursements	<u>\$ 34,924</u>

1 Represents the deposit funds paid pursuant to the Agreement of Purchase and Sale, dated March 19, 2018. These funds are deposited in an interest bearing certificate. The accrued interest is not reflected herein.

Appendix “D”

Jessie Hue

From: Sheldon Title
Sent: January 24, 2018 11:36 AM
To: acjiang1963@gmail.com
Subject: Contact info
Attachments: Letter_to_248_&_Norstar January 8, 2018.pdf; 2017-12-15-Order of Justice Conway.PDF

Mr. Jiang,

As discussed, please find my contact information below.

As further discussed, we agreed to meet at 1450 Don Mills Road, Toronto, on Monday, January 29, 2018 at 10 AM.

With regards to your request to remove chairs, and other property, please submit to us a list of the items you wish to remove, together with proof that it is owned by a party other than 2481043 Ontario Inc. We will need to vet that claim prior to authorizing its release.

Please also supply us with the answers to the questions posed to you by our counsel as part of the attached letter.

As Receiver, we are considering whether we are eligible to file a vacancy rebate (in respect of property taxes) for 2017. We understand that 2481043 Ontario Inc. applied for, and obtained vacancy refunds in 2015 and 2016. In order to assess this eligibility requires that we obtain from you in respect of the 2017 calendar year, including the following:

1. Was the property vacant for a time period of at least 90 consecutive days? and,
2. Confirm that no portion of the building or structure was used at any time in the period of time.
3. Confirm that
 - a) the building was capable of being leased for immediate possession
 - b) the building was capable of being leased but not for immediate occupation because it was in need of or undergoing repairs or renovations or was under construction, or
 - c) was unfit for occupancy
4. Confirm that: the building was not leased to a tenant who was in possession of the leasehold interest throughout the period of time.
5. Please advise of the period covered by the 2017 vacancy application during which the building or structure or portion of the building was an eligible property;

We have been advised by Canada Revenue Agency that it has notionally assessed 2481043 Ontario Inc. for unpaid HST in the amount of approximately \$500K (on account of unfiled HST returns). CRA has registered a lien against the property to secure this unpaid amount. As Receiver, we would like to amend these notional assessments by filing the HST returns for the periods in question and require from you the books and records related to these periods. The Court Order appointing us Receiver, a copy of which has been provided to you before and is enclosed, provides for the following:

“**THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.”

Please provide us with all Records in your possession and control related to 2481043 Ontario Inc., including those records that will permit us to file the outstanding HST returns.

Should you have any questions, please call.

Regards,
Sheldon

Sheldon Title, CPA, CA, CIRP, LIT
SENIOR VICE-PRESIDENT

DIRECT 416.263.6945
FAX 416.323.5240
CELL 416.573.5320
111 Richmond Street West
Suite 300
Toronto, ON
M5H 2G4
sheldon.title@mnp.ca
mnpdebt.ca



Court File No. CV-17-11800-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



THE HONOURABLE MADAM)

FRIDAY, THE 15TH

JUSTICE CONWAY)

DAY OF DECEMBER, 2017

**TREZ CAPITAL LIMITED PARTNERSHIP,
 TREZ CAPITAL (2011) CORPORATION and
 COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

- and -

2481043 ONTARIO INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION, made by Computershare Trust Company of Canada ("**Computershare**") as nominee for Trez Capital Limited Partnership and Trez Capital (2011) Corporation (the "**Applicants**") for an Order: (i) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing MNP Ltd. as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2481043 Ontario Inc. (the "**Debtor**"); (ii) approving the marketing process as set out in the Pre-Filing Report of the Proposed Receiver dated May 19, 2017 (the "**Pre-Filing Report**"); and (iii) sealing the Confidential Appendices to the Pre-Filing Report, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavits of Philip Pincus sworn May 15, 2017, October 2, 2017 and November 30, 2017 and the Exhibits thereto, the Applicants' Application Record dated May 19, 2017, the Applicants' Supplementary Application Record dated October 2, 2017, the Applicants' Second Supplementary Application Record dated November 30, 2017 the consent of MNP Ltd. dated May 11, 2017 to act as the Receiver, the Pre-Filing Report, the consent of the Debtor and on hearing the submissions of counsel for the Applicants:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Applicants' Application Record, the Applicants' Supplementary Application Record and the Applicants' Second Supplementary Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP Ltd. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, including the lands and premises described in **Schedule "A"** (collectively, the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent

security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,] shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or

affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court

upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in

pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

25. **THIS COURT ORDERS** that notwithstanding paragraphs 21-24 inclusive, and as alternate thereto, the Receiver is hereby authorized to borrow money to fund the exercise of its powers and duties hereunder by way of advances from the Applicants, which advances shall be secured by the Applicants' security on the Property, with the same priority that may attach to such security.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL www.MNPdebt.ca/1450DonMills.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

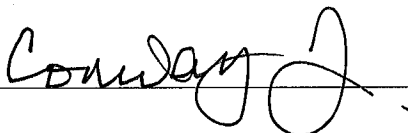
MARKETING PROCESS

34. **THIS COURT ORDERS** that the Marketing Process substantially in the form set out in the Pre-Filing Report is hereby approved.

35. **THIS COURT ORDERS** that the Receiver is hereby authorized to carry out the Marketing Process and to take such steps and execute such documentation as may be necessary or incidental to the Marketing Process.

SEALING OF CONFIDENTIAL APPENDICES

36. **THIS COURT ORDERS** that Confidential Appendix "A" and Confidential Appendix "B" to the Pre-Filing Report be and is hereby sealed pending further Order of the Court.



ENTERED AT, INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 15 2017

PER / PAR:



SCHEDULE "A"
LEGAL DESCRIPTION OF THE PROPERTY

PIN: 10117-0593 (LT)

Description: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T
NY380043; TORONTO (N YORK) , CITY OF TORONTO

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

MNP Ltd., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

robapp\3871971.3

TREZ CAPITAL LIMITED - and-
 PARTNERSHIP ET AL. 2481043 ONTARIO INC.

Applicants

Respondent

Court File No.: CV-17-11800-00CL

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the
Courts of Justice Act and Section 243 of the *Bankruptcy
 and Insolvency Act*

PROCEEDING COMMENCED AT TORONTO

ORDER

ROBINS APPLBY LLP

Barristers + Solicitors
 2600 - 120 Adelaide Street West
 Toronto, ON M5H 1T1

Dominique Michaud LSUC No.: 56871V

dmichaud@robapp.com
 Tel: (416) 360-3795
 Fax: (416) 868-0306

Lawyers for the Applicants



REPLY TO: GEORGE BENCHETRIT
FILE NO.: 52744
DIRECT: 416.218.1141
FAX: 416.218.1841
EMAIL: george@chaitons.com

VIA EMAIL (anchuanjiang16@yahoo.ca & acjiang1963@gmail.com)

January 8, 2018

2481043 Ontario Inc.
1450 Don Mills Road
Toronto, ON M3B 2X7

Norstar Investment Consortium Inc.
1450 Don Mills Road
Toronto, ON M3B 2X7

Attention: Anchuan Jiang

Attention: Anchuan Jiang

Dear Mr. Jiang,

Re: 1450 Don Mills Road, Toronto (the "Property")

You have not responded to our letter dated December 20, 2017 (copy enclosed)¹. We also forwarded a copy of that letter to David Fogel and Bernard Schneider, lawyers who have represented you and/or your companies' interests in relation to the Property, and did not receive a response from them.

You have failed to provide any information to the Receiver to support the validity or enforceability of the Lease or to address the issues identified by the Receiver relating to the safe and lawful occupation of the Property. Also, Norstar International appears unable or unwilling to abide by the stated terms of the Lease, including payment of the rent stipulated thereunder. Accordingly, the Receiver will be proceeding on the basis that the Lease is not valid or enforceable by the Tenant, and that the Tenant has no occupation rights in relation to the Property.

In accordance with the terms of the Receivership Order, the Receiver will be carrying out the Marketing Process described in the Pre-Filing Report filed with the Court dated May 19, 2017. The Property will be marketed as a vacant property without regard to the Lease, and the Receiver intends to transfer the Property to the successful bidder free and clear of the Lease.

Yours truly,
CHAITONS LLP

A handwritten signature in black ink, appearing to be "GB", with a long horizontal line extending to the right.

George Benchetrit
PARTNER
GB/ac
Enc.

¹ Capitalized terms not defined in this letter have the meaning defined in our letter dated December 20, 2017.



REPLY TO: GEORGE BENCHETRIT
FILE NO.: 52744
DIRECT: 416.218.1141
FAX: 416.218.1841
EMAIL: george@chaitons.com

VIA EMAIL (anchuanjiang16@yahoo.ca & acjiang1963@gmail.com)

December 20, 2017

2481043 Ontario Inc.
1450 Don Mills Road
Toronto, ON M3B 2X7

Attention: Anchuan Jiang

Norstar Investment Consortium Inc.
1450 Don Mills Road
Toronto, ON M3B 2X7

Attention: Anchuan Jiang

Dear Mr. Jiang,

Re: 1450 Don Mills Road, Toronto (the "Property")

We represent MNP Ltd. (the "**Receiver**"), which as you know was appointed on December 15, 2017 by the Superior Court of Justice as receiver of all of the assets, undertakings and properties of 2481043 Ontario Inc. ("**248**"), including the Property.

We understand that you provided to the Receiver on December 15, 2017 a copy of a lease dated February 1, 2016 between 248 and Norstar Investment Consortium Inc. ("**Norstar Investment**"), as landlord, and Norstar International College Inc. ("**Norstar International**"), as tenant (the "**Lease**"). We also understand that you are the President of 248, Norstar Investment and Norstar International.

We are in the process of reviewing the Lease to determine its validity and enforceability. Without affirming or acknowledging the Lease or consenting to any rights of Norstar International to occupy the Property, we have the following preliminary inquiries to which we require your immediate responses:

1. Section 1(h) and Schedule B-1 of the Lease provide for a rent deposit held by the landlord in the amount of \$226,666. Please confirm if that amount or any portion thereof is being held by 248 and/or Norstar Investment, and if so, where such funds are being held, and please confirm that such funds will be paid to the Receiver immediately.
2. We understand that you informed the Receiver that the payments due under the Lease on December 1, 2017 were not made. Please advise whether any or all Basic Rent, Additional Rent and Management fees (collectively, the "**Rents**") was paid for the period February 1, 2016 to December 1, 2017 as per Section 5 of the Lease (monthly amounts of \$113,333 for Basic Rent plus applicable taxes, \$6,666.65 for Management Fee). If so, please confirm where (bank account details) such payments were deposited.



3. Please advise as to the status of payment of Realty Taxes as per Section 6 of the Lease.

The Receiver has also identified the following preliminary issues relating to the safe and lawful occupation of the Property for which we require your immediate attention and responses:

4. **Occupancy as a School:** We understand that you have indicated that Norstar International has operated a school at the Property and would like to continue to do so. Please provide:

- (a) Details of when (if at all) a school has been operated at the Property, including details of how many students are enrolled at the school and the general times of day or night for the school's operation.
- (b) evidence of occupancy permission and/or clearance from the City of Toronto to operate a school at this location;
- (c) evidence of insurance for operating a school at this location;
- (d) evidence of a Board School Identification Number issued by the Ontario Ministry of Education. The receiver's preliminary inquiries indicate that your school does not appear on the Ministry of Education's list of private schools for 2017; and
- (e) a copy of the school's annual Notice of Intention to Operate a Private School filing.

5. **Safe Occupation of the Property:**

- (a) We understand that the annual fire safety inspection was not completed for 2017. Please provide evidence of an annual fire safety plan review under the Ontario Fire Code.
- (b) We understand that the washrooms are not fully functioning as a result of a lack of water pressure due to a broken water circulating pump, and that at some point you took steps to install signage to exclude anyone from entering the bathrooms. Please confirm when this situation arose and what steps, if any, you took to remedy the problem.
- (c) Based on the Receiver's preliminary inspection of the Property, it identified numerous gaps in the floors as a result of the removal of parts of the raised flooring, and no lights in sections of the building following the shutting off of breakers. Please advise what occupational health and safety steps and actions were put in place to restrict access to such areas to avoid harm to occupants of the building.
- (d) Please provide details of alarm codes for the Property directly to Matthew Lem of MNP Ltd. by contacting him at 416.515.3882 or matthew.lem@mnp.ca.



Please be advised that as a result of the issues raised above regarding the safe and lawful occupation of the Property, the Receiver requires satisfactory responses to its inquiries as soon as possible, and until these issues are resolved to the Receiver's satisfaction, access to the Property to any or all of 248, Norstar Investment and Norstar International, and any of their representatives, may be denied or restricted.

Yours truly,
CHAITONS LLP

A handwritten signature in black ink, consisting of the initials "GB" followed by a long, horizontal, slightly wavy line extending to the right.

George Benchetrit
PARTNER
GB/ac

Jessie Hue

From: Sheldon Title
Sent: February 4, 2018 12:07 PM
To: 'Anchuan Jiang'
Subject: RE: Contact info
Attachments: 2017-12-15-Order of Jutsice Conway.pdf

Mr. Jiang,

I left you a voice mail message late last week, and have not heard back from you.

I am unable to meet you on Monday morning at 10:30, and even if I were able to meet, as noted in my email of January 24, 2018, prior to your removing any chairs, desk, other property and/or books and records requires that you “submit to us a list of the items you wish to remove, together with proof that it is owned by a party other than 2481043 Ontario Inc. We will need to vet that claim prior to authorizing its release.”

We also require you to supply us with the answers to the questions posed to you by our counsel as part of the attached letter, and to the questions posed by us as part of our January 24, 2018 email. Your failure to cooperate with us, in accordance with the terms of the December 15, 2017 Appointment Order (copy attached) will be reported to the Court.

Should you have any questions, please call me in the office on Monday.

Regards,
 Sheldon

From: Anchuan Jiang [mailto:acjiang1963@gmail.com]
Sent: January 30, 2018 6:10 PM
To: Sheldon Title <Sheldon.Title@mnp.ca>
Subject: Re: Contact info

Hi, Sheldon,

May I request that we meet on Monday morning at 10:30 am at 1450 Don Mills Road so that I can get the following items from my office and the ground floor:

1. All receipts and accounting documentation;
2. All chairs and desks on the ground floor;

I am looking forward to hearing from you!

Yours truly,

Anchuan Jiang

On Tue, Jan 30, 2018 at 1:16 PM, Sheldon Title <Sheldon.Title@mp.ca> wrote:

Mr.Jiang,

May I please hear back from you on your timing?

Regards,
Sheldon

Sheldon Title, CPA, CA, CIRP, LIT
SENIOR VICE-PRESIDENT

DIRECT [416.263.6945](tel:416.263.6945)

FAX [416.323.5240](tel:416.323.5240)

CELL [416.573.5320](tel:416.573.5320)

111 Richmond Street West

Suite 300

Toronto, ON

M5H 2G4

sheldon.title@mp.ca

mpdebt.ca

Sent from my iPhone

On Jan 29, 2018, at 11:11 AM, Sheldon Title <Sheldon.Title@mp.ca> wrote:

Mr. Jiang,

Further to our call, please find your email below confirming today's meeting at 10 AM. You called me at 10:40 to advise me that you had just arrived back from Vancouver, well after my giving you notice that I was leaving the property at 10:25 (I left at 10:30 to give you more time).

If you knew you were heading straight from the airport to meet me, you should have alerted me to the possibility of your being late or potentially needing to reschedule. Nonetheless, I can meet with you tomorrow between 3:30-5:30 or anytime on Friday. Please advise.

Regards,
Sheldon

Sheldon Title, CPA, CA, CIRP, LIT
SENIOR VICE-PRESIDENT

DIRECT [416.263.6945](tel:416.263.6945)

FAX [416.323.5240](tel:416.323.5240)

CELL [416.573.5320](tel:416.573.5320)

111 Richmond Street West

Suite 300

Toronto, ON
M5H 2G4
sheldon.title@mdp.ca
mdpdebt.ca

Sent from my iPhone

On Jan 25, 2018, at 5:12 PM, Anchuan Jiang <acjiang1963@gmail.com> wrote:

Hi, Sheldon,

This is to confirm that I am still ok to meet with at 10 am Monday morning.

Thanks!

Yours truly,

Anchuan Jiang

On Jan 25, 2018 1:21 PM, "Sheldon Title" <Sheldon.Title@mdp.ca> wrote:

Mr. Jiang,

Disregard the message below, as the Court matter has just settled, and my attendance is unnecessary.

Please confirm that you've received this message, and Monday at 10 AM is still doable.

Regards,

Sheldon

Sheldon Title, CPA, CA, CIRP, LIT < >
SENIOR VICE-PRESIDENT

DIRECT 416.263.6945
FAX [416.323.5240](tel:416.323.5240)
CELL [416.573.5320](tel:416.573.5320)
[111 Richmond Street West](#)
[Suite 300](#)
[Toronto, ON](#)
[M5H 2G4](#)

sheldon.title@mnt.ca
mntdebt.ca

From: Sheldon Title
Sent: January 25, 2018 4:19 PM
To: acjiang1963@gmail.com
Subject: RE: Contact info

Mr. Jiang,

I just left you a voice mail message. I unfortunately must reschedule our Monday meeting to Tuesday, as I now have to attend at Court on Monday morning on an unrelated matter. Would noon on Tuesday work? Please advise.

Sorry for the inconvenience.

Regards,

Sheldon

Sheldon Title, CPA, CA, CIRP, LIT <image001.jpg>
SENIOR VICE-PRESIDENT

DIRECT 416.263.6945
FAX [416.323.5240](tel:416.323.5240)
CELL [416.573.5320](tel:416.573.5320)
[111 Richmond Street West](http://111RichmondStreetWest.com)
[Suite 300](http://Suite300.com)
[Toronto, ON](http://Toronto.ON.com)
[M5H 2G4](http://M5H2G4.com)
sheldon.title@mnt.ca
mntdebt.ca

From: Sheldon Title
Sent: January 24, 2018 11:36 AM
To: acjiang1963@gmail.com
Subject: Contact info

Mr. Jiang,

As discussed, please find my contact information below.

As further discussed, we agreed to meet at [1450 Don Mills Road, Toronto, on](#) Monday, January 29, 2018 at 10 AM.

With regards to your request to remove chairs, and other property, please submit to us a list of the items you wish to remove, together with proof that it is owned by a party other than 2481043 Ontario Inc. We will need to vet that claim prior to authorizing its release.

Please also supply us with the answers to the questions posed to you by our counsel as part of the attached letter.

As Receiver, we are considering whether we are eligible to file a vacancy rebate (in respect of property taxes) for 2017. We understand that 2481043 Ontario Inc. applied for, and obtained vacancy refunds in 2015 and 2016. In order to assess this eligibility requires that we obtain from you in respect of the 2017 calendar year, including the following:

1. Was the property vacant for a time period of at least 90 consecutive days? and,
2. Confirm that no portion of the building or structure was used at any time in the period of time.
3. Confirm that
 - a) the building was capable of being leased for immediate possession
 - b) the building was capable of being leased but not for immediate occupation because it was in need of or undergoing repairs or renovations or was under construction, or
 - c) was unfit for occupancy

4. Confirm that: the building was not leased to a tenant who was in possession of the leasehold interest throughout the period of time.
5. Please advise of the period covered by the 2017 vacancy application during which the building or structure or portion of the building was an eligible property;

We have been advised by Canada Revenue Agency that it has notionally assessed 2481043 Ontario Inc. for unpaid HST in the amount of approximately \$500K (on account of unfiled HST returns). CRA has registered a lien against the property to secure this unpaid amount. As Receiver, we would like to amend these notional assessments by filing the HST returns for the periods in question and require from you the books and records related to these periods. The Court Order appointing us Receiver, a copy of which has been provided to you before and is enclosed, provides for the following:

“THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the **"Records"**) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.”

Please provide us with all Records in your possession and control related to 2481043 Ontario Inc., including those records that will permit us to file the outstanding HST returns.

Should you have any questions, please call.

Regards,

Sheldon

Sheldon Title, CPA, CA, CIRP, LIT <image001.jpg>
SENIOR VICE-PRESIDENT

DIRECT [416.263.6945](tel:416.263.6945)

FAX [416.323.5240](tel:416.323.5240)

CELL [416.573.5320](tel:416.573.5320)

[111 Richmond Street West](#)

Suite 300

Toronto, ON

M5H 2G4

sheldon.title@mnt.ca

mntpdebt.ca

This email and any accompanying attachments contain confidential information intended only for the individual or entity named above. Any dissemination or action taken in reliance on this email or attachments by anyone other than the intended recipient is strictly prohibited. If you believe you have received this message in error, please delete it and contact the sender by return email. In compliance with Canada's Anti-spam legislation (CASL), if you do not wish to receive further electronic communications from MNP, please reply to this email with "REMOVE ME" in the subject line."

Court File No. CV-17-11800-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



THE HONOURABLE MADAM)

FRIDAY, THE 15TH

JUSTICE CONWAY)

DAY OF DECEMBER, 2017

**TREZ CAPITAL LIMITED PARTNERSHIP,
 TREZ CAPITAL (2011) CORPORATION and
 COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

- and -

2481043 ONTARIO INC.

Respondent

ORDER
(Appointing Receiver)

THIS APPLICATION, made by Computershare Trust Company of Canada ("**Computershare**") as nominee for Trez Capital Limited Partnership and Trez Capital (2011) Corporation (the "**Applicants**") for an Order: (i) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing MNP Ltd. as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2481043 Ontario Inc. (the "**Debtor**"); (ii) approving the marketing process as set out in the Pre-Filing Report of the Proposed Receiver dated May 19, 2017 (the "**Pre-Filing Report**"); and (iii) sealing the Confidential Appendices to the Pre-Filing Report, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavits of Philip Pincus sworn May 15, 2017, October 2, 2017 and November 30, 2017 and the Exhibits thereto, the Applicants' Application Record dated May 19, 2017, the Applicants' Supplementary Application Record dated October 2, 2017, the Applicants' Second Supplementary Application Record dated November 30, 2017 the consent of MNP Ltd. dated May 11, 2017 to act as the Receiver, the Pre-Filing Report, the consent of the Debtor and on hearing the submissions of counsel for the Applicants:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Applicants' Application Record, the Applicants' Supplementary Application Record and the Applicants' Second Supplementary Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP Ltd. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, including the lands and premises described in **Schedule "A"** (collectively, the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent

security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,] shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or

affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court

upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in

pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

25. **THIS COURT ORDERS** that notwithstanding paragraphs 21-24 inclusive, and as alternate thereto, the Receiver is hereby authorized to borrow money to fund the exercise of its powers and duties hereunder by way of advances from the Applicants, which advances shall be secured by the Applicants' security on the Property, with the same priority that may attach to such security.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL www.MNPdebt.ca/1450DonMills.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. **THIS COURT ORDERS** that the Applicants shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

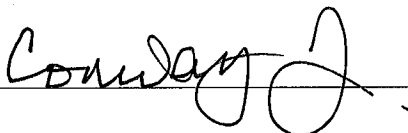
MARKETING PROCESS

34. **THIS COURT ORDERS** that the Marketing Process substantially in the form set out in the Pre-Filing Report is hereby approved.

35. **THIS COURT ORDERS** that the Receiver is hereby authorized to carry out the Marketing Process and to take such steps and execute such documentation as may be necessary or incidental to the Marketing Process.

SEALING OF CONFIDENTIAL APPENDICES

36. **THIS COURT ORDERS** that Confidential Appendix "A" and Confidential Appendix "B" to the Pre-Filing Report be and is hereby sealed pending further Order of the Court.



ENTERED AT, INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 15 2017

PER / PAR:



SCHEDULE "A"
LEGAL DESCRIPTION OF THE PROPERTY

PIN: 10117-0593 (LT)

Description: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T
NY380043; TORONTO (N YORK) , CITY OF TORONTO

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP Ltd., the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

MNP Ltd., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

TREZ CAPITAL LIMITED - and- 2481043 ONTARIO INC.
 PARTNERSHIP ET AL.

Applicants

Respondent

Court File No.: CV-17-11800-00CL

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the
Courts of Justice Act and Section 243 of the *Bankruptcy
 and Insolvency Act*

PROCEEDING COMMENCED AT TORONTO

ORDER

ROBINS APPLBY LLP

Barristers + Solicitors
 2600 - 120 Adelaide Street West
 Toronto, ON M5H 1T1

Dominique Michaud LSUC No.: 56871V

dmichaud@robapp.com
 Tel: (416) 360-3795
 Fax: (416) 868-0306

Lawyers for the Applicants

George Benchetrit

From: David Fogel <DFogel@lmklawyers.com>
Sent: Thursday, March 15, 2018 8:19 PM
To: George Benchetrit
Cc: Sheldon Title; Lynda Christodoulou; 'Anchuan Jiang'
Subject: RE: Receivership of 2481043 Ontario Inc. (1450 Don Mills Road) - Examination of A Jiang February 22, 2018

George,

I have follow up with Mr. Jiang for answers. I am out of the office for the rest of week.

David



David Fogel | dfogel@lmklawyers.com
 Partner
 T. 416-221-9343 x 244 | F. 416-221-8928 | www.thetorontolawyers.com
 2 Sheppard Avenue East, Suite 900, Toronto, Ontario, M2N 5Y7

LITIGATION COUNSEL

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NOTE: Ce courriel est destiné exclusivement au(x) destinataire(s) mentionné(s) ci-dessus et peut contenir de l'information privilégiée, confidentielle et/ou dispensée de divulgation aux termes des lois applicables. Si vous avez reçu ce message par erreur, ou s'il ne vous est pas destiné, veuillez le mentionner immédiatement à l'expéditeur et effacer ce courriel.

From: George Benchetrit [mailto:George@chaitons.com]
Sent: March-15-18 2:23 PM
To: David Fogel
Cc: Sheldon Title
Subject: Receivership of 2481043 Ontario Inc. (1450 Don Mills Road) - Examination of A Jiang February 22, 2018

David,

I am following up with you on the following undertakings given by Mr. Jiang which I would appreciate receiving from you as soon as possible:

- A copy of the termination letter/notice in connection with the Lease between 2481043 Ontario Inc. and Norstar Investment Consortium Inc. (as landlord) and Norstar International College Inc. (as tenant) dated February 1, 2016
- Contact information for the external accountant (George Tsai)
- Copies of receipts for the chairs, desks and/or other furniture at 1450 Don Mills Road claimed by Mr. Jiang

Thank you.

**George Benchetrit**

Partner

Direct Tel: 416.218.1141

Direct Fax: 416-218-1841

Email: George@chaitons.com

5000 Yonge St, 10th Floor, Toronto, Ontario, Canada, M2N 7E9

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Appendix “E”

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: 2481043 ONTARIO INC.

FILE CURRENCY: May 13, 2018

RESPONSE CONTAINS: APPROXIMATELY 1 FAMILIES and 1 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS
WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME
IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE
OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT
ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR
 CONDUCTED ON: 2481043 ONTARIO INC.
 FILE CURRENCY: May 13, 2018

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 1

SEARCH : BD : 2481043 ONTARIO INC.

00 FILE NUMBER : 721752039 EXPIRY DATE : 21OCT 2021 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20161021 1027 1862 8720 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: 2481043 ONTARIO INC.
 OCN :
 04 ADDRESS : 1450 DON MILLS ROAD
 CITY : TORONTO PROV: ON POSTAL CODE: M3B 2X7
 05 IND DOB : IND NAME:
 06 BUS NAME:
 OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 COMPUTERSHARE TRUST COMPANY OF CANADA
 09 ADDRESS : 100 UNIVERSITY AVENUE, 9TH FLOOR
 CITY : TORONTO PROV: ON POSTAL CODE: M5J 2Y1
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X
 YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 SECURITY RELATING TO THOSE LANDS AND PREMISES MUNICIPALLY KNOWN AS

14 1450 DON MILLS ROAD, TORONTO, ONTARIO.

15

16 AGENT: BLANEY MCMURTRY LLP (R. COHEN)

17 ADDRESS : 2 QUEEN STREET EAST, SUITE 1500

CITY : TORONTO PROV: ON POSTAL CODE: M5C 3G5

LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

Appendix "F"

LAND
REGISTRY
OFFICE #66

10117-0593 (LT)

PREPARED FOR caterina
ON 2018/05/14 AT 10:31:23

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T NY380043; TORONTO (N YORK) , CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 10117-1221

PIN CREATION DATE:
2002/02/25

OWNERS' NAMES
2481043 ONTARIO INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2002/02/22 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2002/02/25 **						
NY380043	1962/03/28	TRANSFER EASEMENT			THE HYDRO-ELECTRIC COMMISSION OF THE TOWNSHIP OF NORTH YORK	C
		REMARKS: SKETCH ATTACHED.				
NY414606	1963/08/22	NOTICE OF LEASE		*** COMPLETELY DELETED ***	OFFSET PRINT & LITHO LTD.	
NY577029	1970/06/09	LEASE		*** COMPLETELY DELETED ***	SILVERMAN, GERALD J.	
64BA723	1975/10/17	PLAN BOUNDRIES ACT				C
		REMARKS: NY688572, PLAN 10025				
TR68491	2000/11/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** 150275 CANADA INC.	SOUTHAM PUBLICATIONS ULC	
		REMARKS: THIS DOCUMENT WAS RE-INSTATED ON 2010/06/21 AT 11:53 BY TALBOT, PAUL.				
TR69089	2000/11/16	CHARGE		*** DELETED AGAINST THIS PROPERTY *** SOUTHAM PUBLICATIONS ULC	THE BANK OF NOVA SCOTIA	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

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REGISTRY
OFFICE #66

10117-0593 (LT)

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ON 2018/05/14 AT 10:31:23

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
AT940557	2005/10/04	APL CH NAME OWNER		*** COMPLETELY DELETED *** SOUTHAM PUBLICATIONS ULC	CANWEST MEDIAWORKS PUBLICATIONS INC.	
AT1471387	2007/06/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
		REMARKS: RE: TR69089				
AT1566480	2007/09/05	CHARGE		*** COMPLETELY DELETED *** CANWEST MEDIAWORKS PUBLICATIONS INC.	CIBC MELLON TRUST COMPANY	
AT2293933	2010/01/29	APL CH NAME OWNER		*** COMPLETELY DELETED *** CANWEST MEDIAWORKS PUBLICATIONS INC.	CANWEST PUBLISHING INC.	
AT2298656	2010/02/05	APL (GENERAL)		*** COMPLETELY DELETED *** CANWEST PUBLISHING INC.		
		REMARKS: DELETE NY577029				
AT2298657	2010/02/05	APL (GENERAL)		*** COMPLETELY DELETED *** CANWEST PUBLISHING INC.		
		REMARKS: DELETE NY414606				
AT2299702	2010/02/05	CHARGE		*** COMPLETELY DELETED *** CANWEST PUBLISHING INC.	THE BANK OF NOVA SCOTIA	
AT2304756	2010/02/16	APL COURT ORDER		*** COMPLETELY DELETED *** SUPERIOR COURT OF JUSTICE	THE BANK OF NOVA SCOTIA	
AT2445577	2010/07/14	APL VESTING ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	7536321 CANADA INC.	
		REMARKS: DELETE AT940557, AT1566480, AT2293933, AT2299702 & AT2304756 ; DELETED AS AN EXPIRED INTEREST PER BULLETIN 89004 OCT. 15, 2014. (E.EGAMINO)				
AT2445578	2010/07/14	APL CH NAME OWNER		*** COMPLETELY DELETED *** 7536321 CANADA INC.	POSTMEDIA NETWORK INC.	
		REMARKS: DELETED AS AN EXPIRED INTEREST PER BULLETIN 89004 OCT. 15, 2014. (E.EGAMINO)				
AT2445579	2010/07/14	CHARGE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	
AT2445580	2010/07/14	CHARGE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	BNY TRUST COMPANY OF CANADA	
AT2445581	2010/07/14	CHARGE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	MORGAN STANLEY CANADA LIMITED	

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* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT2484102	2010/08/24	APL (GENERAL)		*** COMPLETELY DELETED *** 7536321 CANADA INC.		
	REMARKS: AT2445577 ; DELETED AS AN EXPIRED INTEREST PER BULLETIN 89004 OCT. 15, 2014. (E.EGAMINO)					
AT3103037	2012/08/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** JPMORGAN CHASE BANK, NATIONAL ASSOCIATION		
	REMARKS: AT2445579.					
AT3103038	2012/08/16	CHARGE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
AT3103039	2012/08/16	POSTPONEMENT		*** COMPLETELY DELETED *** BNY TRUST COMPANY OF CANADA	COMPUTERSHARE TRUST COMPANY OF CANADA	
	REMARKS: AT2445580 TO AT3103038					
AT3103040	2012/08/16	POSTPONEMENT		*** COMPLETELY DELETED *** MORGAN STANLEY CANADA LIMITED	COMPUTERSHARE TRUST COMPANY OF CANADA	
AT3150321	2012/10/12	TRANSFER		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	GLOBAL MILLS INC.	
	REMARKS: PLANNING ACT STATEMENTS					
AT3150322	2012/10/12	CHARGE		*** COMPLETELY DELETED *** GLOBAL MILLS INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
AT3150323	2012/10/12	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** GLOBAL MILLS INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
	REMARKS: AT3150322-RENTS					
AT3150331	2012/10/12	NOTICE OF LEASE		*** COMPLETELY DELETED *** GLOBAL MILLS INC.	POSTMEDIA NETWORK INC.	
AT3150332	2012/10/12	NO CHARGE LEASE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
	REMARKS: AT3150331.					
AT3150333	2012/10/12	NO CHARGE LEASE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	BNY TRUST COMPANY OF CANADA	
	REMARKS: AT3150331.					
AT3150334	2012/10/12	NO CHARGE LEASE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	MORGAN STANLEY CANADA LIMITED	

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NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

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OFFICE #66

10117-0593 (LT)

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ON 2018/05/14 AT 10:31:23

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT3150335	2012/10/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA		
AT3150336	2012/10/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** BNY TRUST COMPANY OF CANADA		
AT3150337	2012/10/12	DISCH OF CHARGE		*** COMPLETELY DELETED *** MORGAN STANLEY CANADA LIMITED		
AT3364527	2013/07/31	CHARGE		*** COMPLETELY DELETED *** GLOBAL MILLS INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
AT3364528	2013/07/31	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** GLOBAL MILLS INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	
AT3376255	2013/08/13	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA		
AT3568940	2014/04/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** COMPUTERSHARE TRUST COMPANY OF CANADA		
AT3568941	2014/04/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** BNY TRUST COMPANY OF CANADA		
AT3568942	2014/04/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** MORGAN STANLEY CANADA LIMITED		
AT3568943	2014/04/30	NO DET/SURR LEASE		*** COMPLETELY DELETED *** POSTMEDIA NETWORK INC.	GLOBAL MILLS INC.	
AT4018126	2015/09/25	APL VESTING ORDER	\$23,030,559	ONTARIO SUPERIOR COURT OF JUSTICE	2481043 ONTARIO INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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ON 2018/05/14 AT 10:31:23

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
AT4018127	2015/09/25	CHARGE	\$30,000,000	2481043 ONTARIO INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	C
AT4139375	2016/02/05	NOTICE <i>REMARKS: AMENDS AT4018127</i>	\$2	2481043 ONTARIO INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	C
AT4377751	2016/10/21	NOTICE <i>REMARKS: AT4018127</i>	\$2	2481043 ONTARIO INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	C
AT4377752	2016/10/21	NO ASSGN RENT GEN <i>REMARKS: AT4018127.</i>		2481043 ONTARIO INC.	COMPUTERSHARE TRUST COMPANY OF CANADA	C
AT4746898	2017/11/30	LIEN	\$449,650	HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF NATIONAL REVENUE		C
AT4779080	2018/01/12	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST	MNP LTD.	C

Appendix “G”

AGREEMENT OF PURCHASE AND SALE

This AGREEMENT dated the 19th day of March, 2018.

BETWEEN:

MNP LTD., solely in its capacity as court-appointed receiver over the of all of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

(the “Vendor”)

OF THE FIRST PART

and

BUDGET ACQUISITIONS INC.,
a company incorporated in accordance with the laws of the Province of Ontario

(the “Purchaser”)

OF THE SECOND PART

WHEREAS

A Pursuant to the Receivership Order, MNP Ltd. was appointed receiver to, among other things, market and sell the Purchased Assets; and

B. Subject to the Court issuing the Approval and Vesting Order, the Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser, the right, title and interest of the Debtor in and to the Purchased Assets on the terms and conditions set out herein.

IN CONSIDERATION of the mutual agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the Vendor and the Purchaser, the Vendor and the Purchaser agree as follows:

1. DEFINITIONS

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) “Act” means, for purposes of Section 24 only, the *Excise Tax Act* (Canada);
- (b) “Agreement” means this agreement together with the attached schedules;
- (c) “Approval and Vesting Order” means an order of the Court substantially in the form attached hereto as Schedule 1(c) approving the Transaction and ordering that

the Debtor's right, title and interest in the Purchased Assets be vested in the Purchaser free and clear of encumbrances, except for Permitted Encumbrances, upon satisfaction by the Purchaser of its obligations under this Agreement;

- (d) “**Buildings**” means the buildings situate on the Lands, including all improvements thereto and all fixtures forming a part thereof;
- (e) “**Business Day**” means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;
- (f) “**Chattels**” means the items listed in Schedule 1(f);
- (g) “**Closing**” shall have the meaning ascribed to it in Section 11;
- (h) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (i) “**Date of Closing**” shall have the meaning ascribed to it in Section 11;
- (j) “**Debtor**” means 2481043 Ontario Inc.;
- (k) “**Deposit**” shall have the meaning ascribed to it in Section 5;
- (l) “**Due Diligence Date**” means the date that is forty-five (45) days following the date of execution and delivery of this Agreement by both parties.
- (m) “**Environmental Law**” means any and all applicable international, federal, provincial, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials;
- (n) “**Government Authority**” means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal governments having or claiming to have jurisdiction over part or all of the Property, the transaction contemplated in this Agreement and/or one or both of the parties hereto;
- (o) “**HST**” shall have the meaning ascribed thereto in Section 24;
- (p) “**Hazardous Materials**” means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any “**Contaminants**”, “**Dangerous Substances**”, “**Hazardous Materials**”, “**Hazardous Substances**”, “**Hazardous Wastes**”, “**Industrial Wastes**”, “**Liquid Wastes**”, “**Pollutants**” and “**Toxic Substances**”, all as defined in, referred to or contemplated in federal, provincial and/or municipal

legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono or poly-chlorinated biphenyl wastes;

- (q) “**Lands**” means the lands and premises municipally known as 1450 Don Mills Road, Toronto, Ontario, as legally described in Schedule 1(p);
- (r) “**Permitted Encumbrances**” means those encumbrances listed in Schedule 1(q);
- (s) “**Property**” means the Lands and all of the assets and undertakings of the Debtor acquired for, or used in relation to, the Lands, including all proceeds therefrom;
- (t) “**Purchase Price**” has the meaning ascribed to it in Section 4;
- (u) “**Purchased Assets**” means the interests of the Debtor in the Buildings, Lands and Chattels. For greater certainty, the Purchased Assets shall not include any vacancy refunds payable in connection with the Property in relation to the time period prior to the Date of Closing;
- (v) “**Purchaser**” shall have the meaning ascribed to it on page 1 above;
- (w) “**Purchaser’s Solicitors**” means the firm of Fogler, Rubinoff LLP;
- (x) “**Receiver**” means MNP Ltd. in its capacity as receiver appointed pursuant to the Receivership Order;
- (y) “**Receivership Order**” means the order of the Court dated December 15, 2017 appointing MNP Ltd. as receiver of all of the assets, undertakings and properties of 2481043 Ontario Inc.;
- (z) “**Registry Office**” shall have the meaning ascribed thereto in Section 12;
- (aa) “**Transaction**” means the transaction contemplated under this Agreement;
- (bb) “**Vendor**” shall have the meaning ascribed to it on page 1 above;
- (cc) “**Vendor’s Option**” shall have the meaning ascribed thereto in Section 8; and
- (dd) “**Vendor’s Solicitors**” means the firm of Chaitons LLP.

2. SCHEDULES

The following Schedules are appended to this Agreement:

Schedule 1(c)	Approval and Vesting Order
Schedule 1(f)	Chattels

Schedule 1(p)	Lands
Schedule 1(q)	Permitted Encumbrances
Schedule B	Additional Provisions

3. NATURE OF TRANSACTION

The Purchaser shall purchase and the Vendor shall sell the Purchased Assets, upon and subject to the terms of this Agreement.

4. PURCHASE PRICE

The aggregate purchase price (the “**Purchase Price**”) for the Purchased Assets shall be the sum of

5. METHOD OF PAYMENT

The Purchase Price shall be paid, accounted for and satisfied as follows.

- (a) **Deposit:** A deposit equal to the amount of Seven Hundred and Fifty Thousand Dollars (\$750,000.00) (the “**Deposit**”) to be deposited in the trust account of the Receiver, to be paid upon the execution of this Agreement. The Deposit will be held by the Receiver until completion or termination of this Agreement. The Vendor shall place the Deposit in a non-interest bearing account and no interest shall be earned, received or paid on the Deposit.
- (b) **Balance Due at Closing:** The balance of the Purchase Price, subject to the adjustments contemplated in this Agreement, by payment at Closing to the Vendor or to the order of the Vendor.

The Deposit and the balance due on Closing shall be paid, at the option of the Vendor, by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Buildings, Lands and Chattels for the purposes of the Income Tax Act (Canada) and any filings in accordance with the provisions thereof.

6. DEPOSIT

The Deposit shall be held in trust by the Vendor and shall be:

- (a) returned to the Purchaser without interest or deduction if the Vendor does not accept this offer;
- (b) credited to the Purchaser as an adjustment against the Purchase Price on the Closing Date if the Transaction is completed;

- (c) refunded to the Purchaser without interest or deduction if the Transaction is not completed, provided that the Purchaser is not in default under this Agreement; or,
- (d) retained by the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Vendor may have under this Agreement and at law, including offering the Purchased Assets for sale to another person, if the Transaction is not completed as a result of the Purchaser's breach hereunder.

7. DUE DILIGENCE

On or prior to 5:00 p.m. (Toronto time) on the Due Diligence Date, the Purchaser shall have determined that it is satisfied with:

- (a) the environmental condition of the Lands based on:
 - i. a Phase I report;
 - ii. a report on whether any asbestos is or has been contained in the Buildings; and
 - iii. a report on whether any lead-based paint is or has been contained in the Buildings;
- (b) the structural condition of the Buildings, based on the report of a structural engineer, to ensure that they can be used for the Purchaser's intended purposes; and
- (c) the geotechnical condition of the Lands, based on the report of a geotechnical engineer, to ensure that they can be used for the Purchaser's intended purposes.

If by the Due Diligence Date, the Purchaser has not given notice to the Vendor that the condition contained in this Section has been satisfied or waived, such condition shall be deemed not to have been satisfied or waived, in which event (subject to the exercise by the Vendor of the Vendor's Option) this Agreement shall be null and void and of no further force or effect whatsoever, each party shall be released from all of its liabilities and obligations under this Agreement and the Deposit, shall be returned to the Purchaser forthwith without deduction.

Notwithstanding anything else contained in this Agreement, the Purchaser shall give notice to the Vendor that the condition contained in this Section has been satisfied or waived on or before the Due Diligence Date if all of the reports procured by the Purchaser as described in this Section do not include written recommendations for remediation work for the use of the Lands and Buildings for the Purchaser's intended purposes having a combined aggregate cost of less than \$500,000. If the Purchaser does not give notice to the Vendor that the condition contained in this Section has been satisfied or waived on or before the Due Diligence Date, the Vendor may request and the Purchaser shall provide copies of all reports procured by the Purchaser as described in this Section in order to satisfy the Vendor that the Purchaser's refusal to give notice that the condition contained in this Section has been satisfied or waived was exercised in accordance with this Section.

8. VENDOR'S OPTION

If the Purchaser does not give notice to the Vendor that the condition contained in Section 7 has been satisfied or waived, then at any time within ten (10) Business Days after the Due Diligence Date, the Vendor may provide notice to the Purchaser that it elects to complete the transaction under this Agreement on the same terms contained in this Agreement except that (a) the condition contained in Section 7 shall not apply and (b) the Purchase Price shall be the sum of [REDACTED] (the "Vendor's Option"). If the Vendor exercises the Vendor's Option, the Purchaser shall be obligated to complete the transaction under this Agreement on the terms set out in the preceding paragraph.

9. APPROVAL AND VESTING ORDER

Forthwith upon waiver by the Purchaser of its condition in Section 7, the Vendor will seek an appointment with the Court for a motion to be heard as soon as reasonably possible, and use best commercial efforts to seek the Approval and Vesting Order.

The Vendor and the Purchaser acknowledge and agree that the above-noted term is a true condition precedent to the completion of the Transaction that cannot be waived by either party.

This Agreement may be terminated by the Vendor or the Purchaser if the Approval and Vesting Order is not obtained, and all relevant appeal periods expired, by September 30, 2018.

10. CLOSING ADJUSTMENTS

Adjustments shall be made, as of 12:01 a.m. on the Date of Closing, for realty taxes, local improvement rates, rental payments, municipal/provincial levies and charges, water and assessment rates, and utilities. The day of Closing shall be for the account of the Purchaser.

If the final cost or amount of an item that is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. In each case, when such cost or amount is determined, the Vendor or Purchaser, as the case may be, shall, within thirty (30) days of determination, provide a complete statement thereof to the other and within thirty (30) days thereafter the Vendor and Purchaser shall make a final adjustment as of the Closing Date for the item in question. In the absence of agreement by the parties, the final cost or amount of an item shall be determined by an accountant or such other financial professional appointed jointly by the Vendor and the Purchaser, with the cost of such accountant's or other financial professional's determination being shared equally between the parties. All re-adjustments shall be requested in a detailed manner on or before the sixtieth (60th) day after the Closing Date, after which time neither party shall have any right to request re-adjustment.

11. DATE OF CLOSING

The Transaction will close on the thirtieth (30th) day following the Due Diligence Date, or such other date as agreed between the Vendor and Purchaser in writing (the "Date of Closing" or "Closing"). If, prior to the Closing, the Approval and Vesting Order (or any orders dismissing

appeals thereof) has not been obtained or was obtained but has been appealed or a proceeding shall have been commenced to restrain or prevent the completion of the Transaction, then the Date of Closing may be extended by the Vendor, in which case the Date of Closing shall mean the day that is five (5) Business Days after the date on which the Approval and Vesting Order is obtained and any such appeals and/or proceedings are dismissed.

12. ELECTRONIC REGISTRATION

- (a) In the event that the electronic registration system (“TERS”) is operative in the relevant land registry office (the “Registry Office”), the following provisions shall apply:
 - (i) The Purchaser shall be obliged to retain a solicitor who is both an authorized TERS user and is in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into a document registration agreement with the Vendor’s Solicitors in the form as agreed by the parties (the “DRA”), establishing the procedures and timing for completing this transaction.
 - (ii) The delivery and exchange of the closing documents:
 - (A) shall not occur contemporaneously with the registration of the Application for Vesting Order and other registerable documentation; and
 - (B) shall be governed by the DRA, pursuant to which the Vendor’s Solicitors and Purchaser’s Solicitors shall hold all closing documents in escrow, and will not be entitled to release them except in strict accordance with the provisions of the DRA.
- (b) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Receiver’s Certificate confirming the effectiveness of the Approval and Vesting Order until the balance of funds due on Closing, in accordance with the statement of adjustments, are remitted by wire transfer to the Vendor’s Solicitors (or in such other manner as the Vendor or Vendor’s Solicitors may in writing direct).
- (c) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser, or by the Purchaser upon the Vendor, when the Vendor’s Solicitors have:
 - (i) delivered all documents required to be delivered by the Vendor to the Purchaser pursuant to Section 20 hereof;
 - (ii) advised the Purchaser’s Solicitors in writing that the Vendor is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and

- (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitors, and specifically when the "completeness signatory" for the Application for Vesting Order has been electronically "signed" by the Vendor's Solicitors,

without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.

- (d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitors have:

- (i) delivered the balance due at Closing and all the documents required to be delivered by the Purchaser to the Vendor pursuant to Section 21 hereof;

- (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and

- (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Purchaser's Solicitors without the cooperation or participation of the Vendor's Solicitors, and specifically when the "completeness signatory" for the Application for Vesting Order has been electronically "signed" by the Purchaser's Solicitors,

without the necessity of personally attending upon the Vendor or the Vendor's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.

- (e) If through no fault of the Purchaser's Solicitors or the Vendor's Solicitors TERS is unavailable on the Date of Closing, such that the Purchaser's Solicitors are unable to register the Application for Vesting Order, then the Transaction shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitors forthwith and the parties shall arrange to complete the registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 12 and the terms of the DRA, the terms of this Section 12 shall prevail.

13. PRE-CLOSING RISK

The Purchased Assets are and shall remain at the Vendor's risk until Closing and the Vendor shall hold all insurance policies and the proceeds thereunder, in trust, for the parties as their respective

interests may appear pending Closing. In the event that the Purchased Assets shall be materially damaged prior to Closing, then the Vendor shall promptly notify the Purchaser in writing of such damage. If the cost of rectifying such damage exceeds Five Hundred Thousand Dollars (\$500,000), as determined by an independent third party expert appointed by the Vendor, then the Purchaser shall be entitled, in its sole and absolute discretion, to elect to terminate this Agreement, by delivery of written notice to the Vendor within ten (10) Business Days following receipt of the Vendor's notice of damage, and in such event the parties hereto shall be released from all obligations and liabilities hereunder and the Deposit shall be returned to the Purchaser forthwith, without interest or deduction. If the Purchaser does not elect to terminate this Agreement as set out above, or if the cost of rectifying such damage does not exceed Five Hundred Thousand Dollars (\$500,000), then the Transaction shall be completed and the Vendor shall release its interest in the insurance proceeds payable in respect thereof, if any, to the Purchaser.

14. PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser represents and warrants to the Vendor that, as at the date hereof:

- (a) the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of the Province of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the Transaction will violate:
 - (i) the Purchaser's articles of incorporation and by-laws;
 - (ii) any agreement to which the Purchaser is bound;
 - (iii) any judgement or order of a court of competent authority or any Government Authority; or
 - (iv) any applicable law;and the Purchaser has duly taken, or has caused to be taken, all requisite corporate action required to be taken by it to authorize the execution and delivery of this Agreement and the performance of each of its obligations hereunder;
- (b) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (c) there are no orders or proceedings pending before any Government Authority, or threatened to be brought by or before any Government Authority by or against the Purchaser, affecting the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;

- (d) the Purchaser has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the Purchase Price to the Vendor on Closing;
- (e) the Purchaser will be responsible for and will remit to or reimburse, as applicable, all taxes, including (without limitation) land transfer tax, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement; and
- (f) either (i) the Purchaser is not a “non-Canadian”, as defined in the *Investment Canada Act* (Canada) (“ICA”); or (ii) if the Purchaser is a “non-Canadian”, this transaction is not a reviewable transaction under the ICA, or, if applicable, the Purchaser is a non-Canadian for the purpose of the ICA and will within three (3) Business Days of the execution of this Agreement submit to Investment Canada a fully completed Application for Review with respect to the transaction contemplated in this Agreement and will use its best efforts to obtain approval from Investment Canada prior to Closing.

The Purchaser shall promptly deliver to the Vendor written notice specifying the occurrence or likely occurrence of any event which may result in any of the Purchaser’s representations and warranties contained in this Agreement not continuing to be true as at Closing.

15. NO REPRESENTATIONS OR WARRANTIES BY VENDOR

The Purchaser acknowledges that:

- (a) it is relying entirely upon its own searches, investigations and inspections in entering into this Agreement;
- (b) the Vendor makes no representation or warranty of any kind that the present use or future intended use by the Purchaser of the Property is or will be lawful or permitted;
- (c) it is satisfied with the Property and all matters and things connected therewith or in any way related thereto;
- (d) it is purchasing the Property on an “as is, where is” and “without recourse” basis including, without limitation, outstanding work orders, deficiency notices, compliance requests, development fee, imposts, lot levies, sewer charges, zoning and building code violations and any outstanding requirements which have been or may be issued by any governmental authority having jurisdiction over the Property;
- (e) any documentation relating to the Property obtained from the Vendor has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of this Agreement;
- (f) the Vendor shall have no liability for, or obligation with respect to, the value, state or condition of the Property;

- (g) the Vendor has made no representations or warranties with respect to or in any way related to the Property, including without limitation, the following:
 - (i) the title, quality, quantity, marketability, zoning, fitness for any purpose, state, condition, encumbrances, description, present or future use, value, location or any other matter or thing whatsoever related to the Property, either stated or implied;
 - (ii) the environmental state of the Property, the existence, nature, kind, state or identity of any Hazardous Materials on, under, or about the Property, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under the Environmental Protection Act (Ontario), or any other statute, regulation, rule or provision of law and the existence, state, nature, kind, identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, under or about the Property or elsewhere; and
- (h) it will ensure that any environmental and/or structural reports prepared on behalf of the Purchaser shall also be addressed to the Vendor and a copy of each such report shall be delivered to the Vendor promptly after the completion thereof, regardless of whether the transaction contemplated by this Agreement closes.

16. ENCROACHMENTS

The Purchaser agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Buildings or Lands, or encroachments onto adjoining lands, or to remove same, or for any matters relating to any applicable zoning regulations or by-laws in existence now or in the future affecting any of the Purchased Assets.

17. INDEMNIFICATION

The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees, agents and representatives (collectively, the “Indemnitees”) from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the operations of the Purchaser on the Buildings or Lands after the Closing Date, or any order, notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws after the Closing Date, or as a result of the disposal, storage, release or spill, or threat of release or spill, on or about the Lands and/or the Building, of any Hazardous Substance after the Closing Date. The obligation of the Purchaser hereunder shall survive the Closing Date.

18. RELEASE

The Purchaser agrees to release and discharge the Vendor together with its directors, officers, employees, agents and representatives from every claim of any kind that the Purchaser may make, suffer, sustain or incur in regard to any Hazardous Substance relating to the Buildings or Lands.

The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Substance, remediate any condition or matter in, on, under or in the vicinity of the Buildings or Lands, or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials. This provision shall not expire with, or be terminated or extinguished by or merged in, the Closing of the Transaction and shall survive the termination of this Agreement for any reason or cause whatsoever and the closing of this transaction.

19. NON-REGISTRATION

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document, instrument or court order or judgement providing evidence of this Agreement against title to the Buildings or Lands. Should the Purchaser be in default of its obligations under this Section, the Vendor may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Buildings or Lands. The Purchaser irrevocably nominates, constitutes and appoints the Vendor as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Buildings or Lands. The Purchaser acknowledges and agrees that the Vendor may rely on the terms of this Section 19 as a full estoppel to any proceeding, suit, claim, motion or other action brought by the Purchaser in order to obtain and attempt to register against the title to the Buildings or Lands any of the items set out in this Section 19.

20. VENDOR'S CLOSING DELIVERIES

The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:

- (a) the Approval and Vesting Order;
- (b) a statement of adjustments prepared in accordance with Section 10 hereof;
- (c) the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada);
- (d) all master keys and duplicate keys relating to the Property in the Vendor's possession; and
- (e) any other documentation reasonably requested by the Purchaser or its solicitors relative to the completion of this transaction, including, without limitation, an

undertaking to re-adjust any matters subject to re-adjustments under this Agreement, and any errors or omissions on the statement of adjustments.

21. PURCHASER'S CLOSING DELIVERIES

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) **Purchaser's Certificates:** the Purchaser's certificate and indemnity setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and, if applicable, the Purchaser's certificate described in Section 24(b) hereof;
- (b) **HST Indemnity:** the indemnity provided for under section 24(c) hereof;
- (c) **Direction re Title:** a direction re title to confirm the name in which title to the Purchased Assets will be taken, provided that such direction must be provided to the Vendor no less than seven (7) days before the hearing date for the motion to obtain the Approval and Vesting Order;
- (d) **Balance Due at Closing:** the balance of the Purchase Price described in Section 5(b) hereof;
- (e) **Application for Vesting Order(s):** the Purchaser's Solicitors will prepare the application for vesting order in Teraview in accordance with the Purchaser's direction re title; and
- (f) **Further Documentation:** any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors.

22. DOCUMENTATION PREPARATION AND REGISTRATION

The Vendor shall prepare or cause to be prepared all documentation described in Sections 20 and 21 hereof and shall deliver draft documentation to the Purchaser not less than three (3) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the Transaction. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

23. LAND TRANSFER TAXES AND RETAIL SALES TAXES

The Purchaser shall pay all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) and, if applicable, all retail sales taxes (as required pursuant to the *Retail Sales Tax Act* (Ontario)) payable in connection with the transfer of the Purchased Assets pursuant to this Agreement.

24. HARMONIZED SALES TAX

- (a) **Application of HST to this Agreement:** The Purchaser acknowledges and agrees that the transaction contemplated hereunder shall be subject to the goods and services tax and harmonized sales tax (“HST”) levied pursuant to the Act and that HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the Act.
- (b) **Self-Assessment:** If:
 - (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Section 132(2) of the Act; and/or
 - (ii) the Purchaser is a “prescribed recipient” under the Act and/or is registered under the Act,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the Act or, if no such form is prescribed, then in form satisfactory to the Vendor and the Vendor’s Solicitors, certifying that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST payable in respect of the transaction contemplated hereunder. If paragraph (i) above shall be applicable, then the Purchaser’s certificate shall also include certification of the Purchaser’s prescription and/or registration, as the case may be, and the Purchaser’s HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the balance otherwise due at Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the said transaction.

- (c) **HST Indemnity:** The Purchaser shall indemnify and save harmless the Vendor, its directors, officers, employees, agents and representatives from all claims, liabilities, penalties, interest, costs and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder.

25. PLANNING ACT (ONTARIO)

This Agreement shall be effective to create an interest in the Buildings or Lands for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing or if a Court orders the completion of the Transaction notwithstanding what would otherwise be non-compliance with Part VI of the *Planning Act* (Ontario).

26. NOTICE

Any notice given hereunder shall be in writing and delivered or communicated by telecopier machine or e-mail to:

- (a) in the case of the Purchaser at: Budget Acquisitions Inc.
33 Harbour Square, #3231

15

Toronto, ON M5J 2G2

Attention: Reade DeCurtins

Email: reade@budgetdevelopment.net

with a copy to the Purchaser's Solicitors: Fogler, Rubinoff LLP
77 King Street West
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8

Fax: 416-941-8852

Attention: Avi Sugar

Email: asugar@foglers.com

(b) in the case of the Vendor at:

MNP Ltd.
111 Richmond Street West, Suite 300
Toronto, ON M5H 2G4

Fax: 416-323-5240

Attention: Sheldon Title

Email:

with a copy to the Vendor's Solicitors: Chaitons LLP
5000 Yonge Street, Suite 1000
Toronto ON M2N 7E9

Fax: 416-222-8402

Attention: George Benchetrit

Email: george@chaitons.com

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A party may change its address and/or telecopier machine number by providing notice in accordance with this Section 26.

27. WAIVER OF CONDITIONS

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement. Any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting party without prejudice to the benefiting party's right of termination in the event of the non-fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater

certainty, the closing of the Transaction by a party hereof shall be deemed to be a waiver by such party of compliance with any condition inserted for its benefit and not satisfied at Closing.

28. SEVERABILITY

If any provision contained in this Agreement or the application thereof to any person/entity or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to persons/entities or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

29. DIVISION/HEADINGS

The division of this Agreement into Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.

30. ENTIRE AGREEMENT

This Agreement and the schedules attached hereto constitute the entire agreement between the Vendor and the Purchaser in respect of the Purchased Assets. Each of the parties acknowledges that, except as contained in this Agreement, there is no representation, warranty, collateral agreement or condition (whether a direct or collateral condition or an express or implied condition) which induced it to enter into this Agreement. Each of the parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, shall survive the closing of the transactions contemplated by this Agreement.

31. CUMULATIVE REMEDIES

No remedy conferred upon or reserved to one or both of the parties hereto is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

32. INTERPRETATION

This Agreement shall be read with all changes of gender and number as required by the context.

33. REFERENCES TO STATUTES

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or paragraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.

34. TIME OF ESSENCE

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Vendor and the Purchaser or their respective solicitors who are hereby expressly appointed for that purpose.

35. CANADIAN FUNDS

All references to dollar amounts contained in this Agreement shall be deemed to refer to Canadian funds.

36. TENDER

Any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by a negotiable cheque certified or bank draft drawn on or issued by a Canadian chartered bank.

37. FURTHER ASSURANCES

Except as otherwise expressed herein to the contrary, each party shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

38. CONFIDENTIALITY

The Purchaser agrees that all information and documents supplied by the Vendor or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but not limited to information in the schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and, without the Vendor's prior written consent shall not be disclosed to any third party. If for any reason Closing does not occur, all such documents shall forthwith be returned intact to the Vendor and no copies or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and Vendor further agree that unless and until the terms of this Agreement become public knowledge in connection with an application to the Court, the Purchaser shall keep such terms confidential and shall not disclose them to anyone except the Purchaser's Solicitors, agents or lenders acting in connection herewith and then only on the basis that such persons also keep such terms confidential as aforesaid.

39. NON-BUSINESS DAYS

In the event that any date specified or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.

40. GOVERNING LAWS

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario.

41. ASSIGNMENT

No party may assign its rights or obligations under this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, the Purchaser shall have the right, until five (5) Business Days prior to the granting of the Approval and Vesting Order, upon written notice to the Vendor's Solicitors, to assign, in whole or part, its rights to acquire the Purchased Assets hereunder to any company or companies related or affiliated (as that term is defined in the *Ontario Business Corporations Act*) with the Purchaser, provided that such assignment shall not release the Purchaser from its obligations under this Agreement.

42. VENDOR'S CAPACITY

It is acknowledged by the Purchaser that the Vendor is entering into this Agreement solely in its capacity as court-appointed receiver of the assets, undertakings and properties of the Debtor and that the Vendor shall have no personal or corporate liability under or as a result of this Agreement. Any claim against the Vendor shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as Receiver and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Property.

43. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

44. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original, faxed or other form of electronic communication reproducing an original and the parties adopt any signatures received by such electronic communication as original signatures of the parties; provided, however, that any party providing its signature in such manner shall promptly forward to the other party an original of the executed copy of this Agreement which was so electronically communicated.

45. IRREVOCABLE DATE

This Agreement is open for acceptance by the Seller and communication of such acceptance by the 20th day of March, 2018, 5:00 p.m. Toronto time, and if not executed on or before such date such irrevocable this Agreement shall be null and void and any Deposit monies paid by the Buyer shall be returned to the Buyer without interest.

[the remainder of this page has intentionally been left blank]

DATED as of the date first mentioned above.

BUDGET ACQUISITIONS INC.

Per: 

Name: Jamie Bennet

Title: Vice President

Per: _____

Name:

Title:

I/We have authority to bind the corporation

The Vendor hereby accepts this Agreement to purchase and its terms and agrees with the Purchaser to duly complete the transaction contemplated thereunder.

DATED at Toronto, Ontario this 21st day of March, 2018.

MNP LTD., solely in its capacity as court-appointed Receiver of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per: 

Name: Sheldon Title

Title: Senior Vice President

I have authority to bind the corporation

SCHEDULE 1(C)

APPROVAL AND VESTING ORDER

Court File No. CV-17-11800-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ►) ► DAY, THE ► DAY

)

JUSTICE ►) OF ►, 2018

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicant

- and -

2481043 ONTARIO INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by MNP Ltd. in its capacity as the court-appointed receiver (the “**Receiver**”) of all of the assets, undertakings and properties of 2481043 Ontario Inc. (the “**Debtor**”), for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and [NAME OF PURCHASER] (the “**Purchaser**”) made as of [DATE] and appended to the Report of the Receiver dated [DATE] (the “**Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day at ●.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all tenancies, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated December 15, 2017; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule B hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule C) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver][Land Titles Division of

{LOCATION} of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*], the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule D hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule B hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver’s Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company’s records pertaining to the Debtor’s past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or avoidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-17-11800-00CL

*ONTARIO*SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicant

- and -

2481043 ONTARIO INC.

Respondent

RECEIVER’S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Conway dated December 15, 2017, MNP Ltd. was appointed as the receiver (the “**Receiver**”) of all of the assets, undertakings and properties of 2481043 Ontario Inc. (the “**Debtor**”), including all proceeds therefrom.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the “**Sale Agreement**”) between the Receiver and [NAME OF PURCHASER] (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

MNP Ltd., solely in its capacity as court-appointed Receiver of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

Schedule B – Claims to be deleted and expunged from title to Real Property

1. Instrument No. AT4018126 registered September 25, 2015, being an Application to register Vesting Order by Ontario Superior Court of Justice.
2. Instrument No. AT4018127 registered September 25, 2015, being a Charge from 2481043 Ontario Inc. in favour of Computershare Trust Company of Canada securing the principal amount of \$30,000,000 (“**Computershare Charge**”).
3. Instrument No. AT4139375 registered February 5, 2016, being a Notice amending Computershare Charge.
4. Instrument No. AT4377751 registered October 21, 2016, being a Notice relating to Computershare Charge.
5. Instrument No. AT4377752 registered October 21, 2016, being a Notice of General Assignment of Rents pledged in connection with Computershare Charge.
6. Instrument No. AT4746898 registered November 30, 2017, being a Lien registered by Her Majesty the Queen in tight of Canada as represented by the Minister of National Revenue.
7. Instrument No. AT4779080 registered January 12, 2018, being an Application to register a Court Order by Ontario Superior Court of Justice Commercial List.

**Schedule C – Permitted Encumbrances, Easements and
Restrictive Covenants related to the Real Property
(unaffected by the Vesting Order)**

1. Instrument No. NY380043 registered March 28, 1962 being a Transfer of Easement in favour of the Hydro-Electric Commissions of the Township of North York.
2. Instrument No. 64BA723 registered October 17, 1975 being a registration described as “Plan Boundaries Act”

Schedule D – Legal Description

PIN: 10117-0593 (LT)

Description: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T NY380043;
TORONTO (N YORK), CITY OF TORONTO

**SCHEDULE 1(f)
CHATELS**

**SCHEDULE 1(p)
LANDS**

PIN: 10117-0593 (LT)

Description: PT LT 10 CON 3 EYS TWP OF YORK AS IN TB395970; S/T NY380043;
TORONTO (N YORK), CITY OF TORONTO

SCHEDULE 1(q)
PERMITTED ENCUMBRANCES

1. Instrument No. NY380043 registered March 28, 1962 being a Transfer of Easement in favour of the Hydro-Electric Commissions of the Township of North York.
2. Instrument No. 64BA723 registered October 17, 1975 being a registration described as "Plan Boundaries Act"

**SCHEDULE B
ADDITIONAL PROVISIONS**

1. The Property is being sold on an “as is, where is” and “without recourse” basis with no representations, warranties or (except as expressly stated herein) condition, express or implied, statutory or otherwise of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition, location of structures, improvements and mezzanines or the legality thereof, zoning or lawful use of the Property, rights over adjoining properties and any easements, right-of-way, rights of re-entry, restrictions and/or covenants which run with the land, ingress and egress to the Property, the condition or state of repair of any chattels, encroachments on the Property by adjoining properties or encroachments by the Property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, building permits or building permit applications, municipal or other governmental requirements agreements or requirements (including site plan agreements, development agreements, subdivision agreements, building or fire codes, building and zoning bylaws and regulations, development fees, imposts, lot levies and sewer charges) or any other matter or thing whatsoever, either stated or implied. The Buyer acknowledges having reviewed the state of title to the property and agrees to accept title subject to all of the foregoing, and that it shall, despite any presumption to the contrary at law or otherwise, not be entitled to make any requisition as to title or otherwise.
2. The Buyer acknowledges that it has relied entirely on its own judgment, inspection and investigation of the Property and any rights necessary to the access, use and enjoyment of, appurtenant or otherwise, the Property.
3. The Buyer acknowledges that the fixtures, improvements and chattels, if any, presently on the Property are to be taken by it, at its own risk completely, without representation or warranty of any kind from the Seller as to the ownership or state of repair of any such fixtures, improvements and chattels. The Buyer further acknowledges that the chattels and fixtures presently on the Property may be subject to security interests.
4. The Buyer acknowledges and agrees that the Buyer is acquiring the Property together with all of the chattels currently at the Property (the “Chattels”) on an “as is where is” basis. The Buyer represents and warrants to the Seller that the Buyer has absolutely satisfied itself as to the status and condition of the Chattels including without limitation their state of repair.
5. The Buyer acknowledges that any information supplied to the Buyer by the Seller or its agents or representatives is, and was supplied, without any representation or warranty, and that the responsibility for the verification of any such information shall be wholly the responsibility of the Buyer.
6. On Closing, title will be transferred by the Approval and Vesting Order and not by Transfer/Deed of Land.

- 2 -

7. The Buyer shall be responsible for payment of all outstanding realty taxes owing on the Property from the Closing Date, and payment of all taxes exigible on sale and transfer of the Property and any Chattels and fixtures, including without limitation, HST as applicable, retail sales tax as applicable and Land Transfer Tax.
8. The Seller shall provide the Buyer with only the keys to the Property that are in its possession.

REINSTATEMENT AND AMENDMENT OF AGREEMENT OF PURCHASE AND SALE

THIS REINSTATEMENT AND AMENDMENT OF AGREEMENT OF PURCHASE AND SALE (this "Agreement") made this 10th day of May, 2018.

BETWEEN:

BUDGET ACQUISITIONS INC.,

a company incorporated in accordance with the laws of the Province of Ontario

(hereinafter called the "Purchaser")

- and -

MNP LTD., solely in its capacity as court-appointed receiver over the of all of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

(hereinafter called the "Vendor")

WHEREAS the Purchaser and the Vendor entered into an agreement of purchase and sale dated March 19, 2018 (as amended and/or extended from time to time, collectively, the "Purchase Agreement"), in respect of the lands and premises municipally known as 1450 Don Mills Road, Toronto, Ontario, and certain other assets, being the Purchased Assets under the Purchase Agreement;

AND WHEREAS the Purchaser did not waive the condition in its favour set out in Section 7 of the Purchase Agreement, thereby terminating the Purchase Agreement;

AND WHEREAS the parties have agreed to reinstate the Purchase Agreement on the amended terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, that in consideration of the mutual covenants, terms, conditions and agreements herein contained, the sum of Ten Dollars (\$10.00) now paid by each party to the other and for other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto covenant, agree and acknowledge that:

1. The Purchase Agreement is hereby reinstated, and in full force and effect, as amended herein.
2. The Purchase Agreement is hereby amended as follows:
 - (a) Section 4 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"The aggregate purchase price (the "Purchase Price") for the Purchased Assets shall be the sum of [REDACTED]."
 - (b) The Purchaser's condition as set out in Section 7 of the Purchase Agreement shall be deemed waived as of the date hereof.

- 2 -

- (c) Section 8 of the Purchase Agreement is hereby deleted in its entirety.
- (d) Section 11 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

"The Transaction will close on June 22, 2018 (the "**Date of Closing**" or "**Closing**"). If, prior to the Closing, the Approval and Vesting Order (or any orders dismissing appeals thereof) has not been obtained or was obtained but has been appealed or a proceeding shall have been commenced to restrain or prevent the completion of the Transaction, then the Date of Closing may be extended by the Vendor, in which case the Date of Closing shall mean the day that is five (5) Business Days after the date on which the Approval and Vesting Order is obtained and any such appeals and/or proceedings are dismissed."

- 3. The parties hereto agree to do, make and execute all such further documents, agreements, assurances, acts, matters and things and take such further action as may be reasonably required by the other party from time to time, in order to carry out the true intent of this Agreement and the Purchase Agreement.
- 4. All other terms of the Purchase Agreement are hereby reinstated and in full force and effect and shall remain the same, except as amended pursuant to the terms hereof, and time shall remain of the essence hereof.
- 5. For the convenience of the parties, this Agreement may be executed in several counterparts, and delivered by facsimile or electronic mail transmission, each of which when so executed and delivered shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument.
- 6. All capitalized terms and expressions when used in this Agreement have the same meaning as in the Purchase Agreement, unless a contrary intention is expressed in this Agreement.

[signature page immediately follows]

- 3 -

IN WITNESS WHEREOF the Purchaser has executed this Agreement this ___ day of May, 2018.

BUDGET ACQUISITIONS INC.

Per: _____

Name:

Title:

Per: _____

Name:

Title:

I/We have authority to bind the corporation

The undersigned Vendor hereby accepts this Agreement and agrees to be bound hereby.

IN WITNESS WHEREOF the Vendor has executed this Agreement this 10th day of May, 2018.

MNP LTD., solely in its capacity as court-appointed Receiver of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per: Sheldon

Name: Sheldon Title

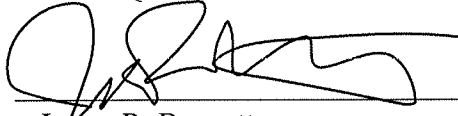
Title: Senior Vice President

I have authority to bind the corporation

- 3 -

IN WITNESS WHEREOF the Purchaser has executed this Agreement this 10th day of May, 2018.

BUDGET ACQUISITIONS INC.

Per: 
Name: James R. Bennett
Title: Vice President

Per: _____
Name:
Title:
I/We have authority to bind the corporation

The undersigned Vendor hereby accepts this Agreement and agrees to be bound hereby.

IN WITNESS WHEREOF the Vendor has executed this Agreement this ___ day of May, 2018.

MNP LTD., solely in its capacity as court-appointed Receiver of the assets, undertakings and properties of 2481043 Ontario Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
Name: Sheldon Title
Title: Senior Vice President
I have authority to bind the corporation

Appendix “H”

Court File No.: CV-17-11800-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA

Applicants

- and -

2481043 ONTARIO INC.

Respondent

AFFIDAVIT OF SHELDON TITLE
(Sworn May 16, 2018)

I, Sheldon Title, of the Town of Richmond Hill, in the Province of Ontario, make oath and say as follows:

1. I am a Senior Vice President and a Licensed Insolvency Trustee with MNP Ltd. ("**MNP**") the Court appointed receiver and manager (the "**Receiver**") of all of the assets, undertaking and properties of 2481043 Ontario Inc. and as such have knowledge of the matters deposed to herein, except where such knowledge is stated to be based on information and belief, in which case I state of the information and believe such information to be true.
2. The Receiver was appointed pursuant to an order of the Honourable Justice Conway of the Ontario Superior Court of Justice (Commercial List) on December 15, 2017.
3. Attached hereto and marked as **Exhibit "A"** are copies of the following accounts issued by the Receiver, totalling \$112,889.08 (comprised of fees of \$100,854.30 and HST of \$12,034.78) with respect to this proceeding:

- a. Account for the period ending June 7, 2017, in the amount of \$14,126.18, inclusive of HST; and
 - b. Account for the period ending May 14, 2018, in the amount of \$98,762.90, inclusive of HST.
4. The average hourly rate in respect of the Receiver's Invoices is \$506.55.
 5. I confirm that the accounts described above accurately reflect the services provided by MNP in this matter and the fees and disbursements incurred by it during the period described above.
 6. This Affidavit has been prepared to support a motion to, *inter alia*, approve the fees and disbursements of the Receiver and its accounts.

SWORN before me at the City of)
 Toronto, in the Province of Ontario)
 this 16th day of May, 2018.)


 _____)

A Commissioner, etc.



Henry Louis, a Commissioner, etc.,
 Province of Ontario, for MNP Ltd. and MNP LLP,
 Expires December 30, 2019.

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF SHELDON TITLE

Sworn before me

This 16th day of May, 2018



Commissioner for taking Affidavits, etc



Invoice

1450 Don Mills Road
 Trez Capital Mortgage Investment Corporation
 Suite 1550-1185 West Georgia Street
 Vancouver, BC V6E 4E6

Invoice Number :	8049309	Client Number :	0663956
Invoice Date :	Jun 9 2017	Invoice Terms :	Due Upon Receipt

For Professional Services Rendered :

For professional services rendered as proposed Receiver for the period
 ended June 8, 2017

13,453.50

Goods & Services Tax : 672.68

Total (CDN) : 14,126.18

GST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt. A service charge of 1.5% per month (19.56% per annum) will be added to any invoice not paid within 30 days of billing.

Continued on page ...2

Thank you for your business. We
 sincerely appreciate your trust in us.

ACCOUNTING › CONSULTING › TAX
 111 RICHMOND STREET WEST, SUITE 300; TORONTO ON; M5H 2G4
 P: (416) 596-1711 F: (416) 596-7894 www.MNP.ca

MNP LTD.
IN THE MATTER OF THE PROPOSED RECEIVERSHIP OF 1450 DON MILLS ROAD

FOR PROFESSIONAL SERVICES RENDERED FOR THE PERIOD OF APRIL 26, 2017 TO JUNE 8, 2017

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
28-Apr-2017	Echa Odeh	.30	Fixed formatting of engagement letter and printed for signing, Made further amendments as instructed by Sheldon T		
24-May-2017	Echa Odeh	.10	Saved application to the file. Email sent to Matthew L. to confirm whether website needed.		
		<u>.40</u>		\$ 190.00	\$ 76.00
03-May-2017	Henry Louis	1.00	Review background material and begin pre-filing report.		
04-May-2017	Henry Louis	5.00	Review background material and draft pre-filing report		
		<u>6.00</u>		341.00	2,046.00
27-Apr-2017	Matthew Lem	.10	Discussion with Richmond Group re proposal for property management services;		
01-May-2017	Matthew Lem	.20	Review of Richmond Advisory Services proposal; discussions with A. Mehta re same.		
09-May-2017	Matthew Lem	.20	Update discussion on file with S. Title.		
12-May-2017	Matthew Lem	1.00	Review draft pre-filing report.		
16-May-2017	Matthew Lem	.50	Update discussions with S. Title, review Altus engagement letter; call to M. Chung.		
17-May-2017	Matthew Lem	.30	Discussion with H., Chung of Altus re engagement letter; update email to Trez Capital re appraisal.		
18-May-2017	Matthew Lem	3.90	Discussion with Colliers re appraisal; correspondence with G. Benchetrit re report; attend to review and adjust report; discussion and correspondence with CBRE re listing proposal; review correspondence from CBRE; finalize and forward report to Robins Appleby.		
19-May-2017	Matthew Lem	1.00	Finalize report; discussion with G. Benchetrit re same; forward report to D. Michaud.		
23-May-2017	Matthew Lem	.30	Review and adjust terms and conditions to appraisal proposal.		
24-May-2017	Matthew Lem	.30	Call with Trez Capital to review comments on CBRE listing agreements.		
26-May-2017	Matthew Lem	1.50	Review and adjust sale and leasing listing agreements, email to P. Pincus re same.		
30-May-2017	Matthew Lem	.10	Update discussion with P. Pincus		
		<u>9.40</u>		510.00	4,794.00
03-May-2017	Robert Cushing	.50	collecting the property assessment and determining property tax payable.		
		<u>.50</u>		425.00	212.50
26-Apr-2017	Sheldon Title	.50	call with Dom and Philip, call Lieberman re marketing proposal		
27-Apr-2017	Sheldon Title	.70	calls to Pelican Woodcliff, Tom Elek, prepare engagement letter; email from Pincus;		
28-Apr-2017	Sheldon Title	.30	Call with Pincus on engagement letter and modification of same		
02-May-2017	Sheldon Title	.30	email from Tim from Colliers on t/u questions; e/m to Pincus; emails to/from Ron Mandowski; email from Lieberman on Avison Young proposal		
04-May-2017	Sheldon Title	.40	mtg with Tim Bristow		
05-May-2017	Sheldon Title	.40	review of Colliers package		
06-May-2017	Sheldon Title	.30	review of Avison Young proposal received from Lieberman		
08-May-2017	Sheldon Title	1.00	Email from Dom on status and response thereto, call with CBRE team and Pincus re: strategic proposal; review of CBRE proposal ahead of call		
09-May-2017	Sheldon Title	.60	call with Pincus and Lisa on listing proposals		
10-May-2017	Sheldon Title	2.40	call with CBRE team and Philip, call with Philip on sales process, call with Tim Bristow and Colliers property management team, review of insurance; work on report		
11-May-2017	Sheldon Title	.80	Phone call with Pincus on time lines; revisions to time lines; emails on survey;		
12-May-2017	Sheldon Title	1.40	finalization of pre-filing report, call with Michaud on notice of application and amendments thereto; comments on NOM, resign consent given change in parties; discussion with Lem on report, call with CBRE on lack of survey; call with Pincus re: potential LOI coming through one of the brokerages;		
14-May-2017	Sheldon Title	.30	call with Benchetrit re: potential file		
15-May-2017	Sheldon Title	.60	finalize pre-filing report, call with Dom, emails with George Benchetrit		
07-Jun-2017	Sheldon Title	1.00	call with Pincus, emails to/from Michaud, emails to Benchetrit; billing		
		<u>11.00</u>		575.00	6,325.00
		<u>27.3</u>		\$ 13,453.50	



Invoice

Invoice Number : 8421976 **Client Number :** 0663956
Invoice Date : May 16 2018 **Invoice Terms :** Due Upon Receipt

1450 Don Mills Road
 Trez Capital Mortgage Investment Corporation
 Suite 1550-1185 West Georgia Street
 Vancouver, BC V6E 4E6

For Professional Services Rendered :

FOR PROFESSIONAL SERVICES RENDERED FOR THE PERIOD OF 87,400.80
 JUNE 9, 2017 TO MAY 14, 2018

Sub Total :	87,400.80
Harmonized Sales Tax :	11,362.10
Total (CDN) :	98,762.90

HST Registration Number : 103697215 RT 0001

Invoices are due and payable upon receipt.

Thank you for your business. We
sincerely appreciate your trust in us.

Licensed Insolvency Trustees
111 RICHMOND STREET WEST, SUITE 300;
TORONTO ON; M5H 2G4
P: (416) 596-1711 F: (416) 596-7894 www.MNPDebt.ca

MNP LTD.

IN THE MATTER OF THE PROPOSED RECEIVERSHIP OF 2481043 ONTARIO INC.

FOR PROFESSIONAL SERVICES RENDERED FOR THE PERIOD OF JUNE 9, 2017 TO MAY 14, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
19-Dec-2017	Echa Odeh	.50	Created new corporate engagement website. RE 2481043 Ontario Inc.		
19-Dec-2017	Echa Odeh	.50	Drafted letters to toronto hydro and enbridge gas.		
20-Dec-2017	Echa Odeh	.20	Scan and save letters to toronto hydro and enbridge. Emailed letters and put in mail.		
21-Dec-2017	Echa Odeh	.20	Prepared letter to City of Toronto RE Water and Waste		
22-Dec-2017	Echa Odeh	1.10	Make amendments to Notice of receiver, scan and save, fax to CRA, print labels and mail to creditors.		
29-Dec-2017	Echa Odeh	.20	Drafted correspondence to Counterforce.		
02-Jan-2018	Echa Odeh	.70	Entered information into ascend for Receivership, prepared letter of attestation for new bank account. Checked Quicken for funds received.		
05-Jan-2018	Echa Odeh	.20	Response email sent to Counterforce.		
12-Jan-2018	Echa Odeh	.20	Open new account in ascend and save email from TD to the file.		
23-Jan-2018	Echa Odeh	.20	Check Td for receipt of payment and prepare deposit slip.		
24-Jan-2018	Echa Odeh	.50	Review of order and prepared receivers certificate.		
26-Jan-2018	Echa Odeh	.20	Saved CRA claim to the file and updated in ascend. Email sent to management.		
		<u>4.70</u>		\$ 208.00	\$ 977.60
20-Dec-2017	Henry Louis	1.50	Prepare insurance questionnaire, correspondence with FCA re same, draft letter to current insurance broker re adding receiver to policy.		
21-Dec-2017	Henry Louis	.70	Draft 245(246) notice.		
22-Dec-2017	Henry Louis	.20	Follow up with insurance broker.		
26-Jan-2018	Henry Louis	.20	Correspondence with FCA re insurance.		
		<u>2.60</u>		\$ 380.00	\$ 988.00
26-Jun-2017	Jessie Hue	.20	T/c and email S. Title P. Guerre dealing with inquiry.		
27-Jun-2017	Jessie Hue	.20	T/c and email S. Title P. Guerre dealing with inquiry.		
28-Jun-2017	Jessie Hue	.20	F/u email S. Title re; P. Guerre dealing with inquiry.		
29-Jun-2017	Jessie Hue	.10	F/u with creditor call.		
04-Oct-2017	Jessie Hue	.20	Arrange for the URL website.		
16-Jan-2018	Jessie Hue	.30	Convert pdf size and email S.Title.		
16-Jan-2018	Jessie Hue	.30	Review of PDF and convert to allow to sending due to sizing.		
18-Jan-2018	Jessie Hue	.20	Banking file set up in Ascend, create banking folder and file outstanding invoices, rename the account on TD platform.		

26-Jan-2018	Jessie Hue	.60	Banking, prepare cheq reqs and direction with Gabriela.			
30-Jan-2018	Jessie Hue	.50	Efile fling fee remittance with the OSB. Chq reqs.			
30-Jan-2018	Jessie Hue	.30	Scan utility and tax statments to to directory, cheq req			
06-Feb-2018	Jessie Hue	.10	Follow up on invoices.			
07-Feb-2018	Jessie Hue	.40	Chq req. File management.			
09-Feb-2018	Jessie Hue	.30	Chq req and saving documenation to directory.			
14-Feb-2018	Jessie Hue	.20	T/c from potential purchaser and email S. title. T/c and relayed contact info.			
20-Feb-2018	Jessie Hue	.20	Bank rec.			
21-Feb-2018	Jessie Hue	.50	T/c with ConterForce and request system test mode, relay unable to process as not an authorized on account and email S.Title and M. Lem. Left vmsg with Arun.			
26-Feb-2018	Jessie Hue	.20	Chq req.			
26-Feb-2018	Jessie Hue	.30	Update website.			
01-Mar-2018	Jessie Hue	1.20	Update corporate website, request to set up URL code. Further inquiry re; french and english website and discussion with S. Title.			
02-Mar-2018	Jessie Hue	.40	Website posting and inquiry re; URL as pertains to the french and english website.			
07-Mar-2018	Jessie Hue	.60	Email S. Title call received from reception from police re;triggered alarm call. Search for Constables contact info and emailed follow up.			
08-Mar-2018	Jessie Hue	.40	chq req and correspondence with the Constable. Chq req.			
09-Mar-2018	Jessie Hue	.30	Revised R&D.			
13-Mar-2018	Jessie Hue	.30	Dealing with Enbridge Calls. Confirmed refund cheque being issued.			
22-Mar-2018	Jessie Hue	.30	Banking.			
26-Mar-2018	Jessie Hue	.40	Banking, chq req. T/c with potential purchaser and f/u call advising conditional of sale.			
27-Mar-2018	Jessie Hue	.20	Banking.			
28-Mar-2018	Jessie Hue	.50	Confirm banking details with TD re; incoming wire. Banking posting incoming wires.			
29-Mar-2018	Jessie Hue	.80	Banking, verify wire and instructions, post receiver certificate and filing. T/c with TD re wire and psting to correct account.			
02-Apr-2018	Jessie Hue	1.80	Banking post incoming wires from Budget and prepare wire instruction to Bugdet re; excess funds. Post to Ascend and Quicken, purchase term deposit and post in Ascend. Transfer wire fee to Quicken.			
05-Apr-2018	Jessie Hue	.40	Banking, invoice request.			
04-May-2018	Jessie Hue	.20	Chq req.			
		<u>13.10</u>			\$ 208.00	\$ 2,724.80
03-Jan-2018	Kent Mcparland	1.40	draft letter and send to CRA notifying of receivership and requesting support for claim for HST arrears, contact insurance company to confirm they have received notification and added MNP to policy, discuss insurance with Firstbrook			

04-Jan-2018 Kent Mcparland	.90	Calls with company insurance broker and Firstbrook Insurance regarding insurance coverage and naming MNP on existing Intact Insurance policy		
05-Jan-2018 Kent Mcparland	.40	Follow up on insurance		
08-Jan-2018 Kent Mcparland	1.90	Respond to email from Firstbrook, request historical usage information from Toronto Hydro, Enbridge Gas and City for budget purposes, call to CRA re: support for claim, update projected expenses based on information received from Richmond and discussion with ST		
09-Jan-2018 Kent Mcparland	1.10	Call with Toronto Hydro to address questions with respect to the receivership, call with CRA to discuss claim, follow up with insurance broker on premiums and additional insurance required, follow up with PM on outstanding cost items, discuss costs with ST		
11-Jan-2018 Kent Mcparland	.70	Review request for information from Firstbrook, discuss same with ST and respond to Firstbrook, attend at city hall to obtain utility information		
15-Jan-2018 Kent Mcparland	.20	Review and respond to questions from Firstbrook regarding insurance, call with Firstbrook, email exchange with Richmond regarding outstanding quotes and discuss same with ST		
16-Jan-2018 Kent Mcparland	.40	Call with Firstbrook, email exchange with Richmond regarding outstanding quotes and discuss same with ST		
17-Jan-2018 Kent Mcparland	.40	Update budget and follow up with property manager and Firstbrook re outstanding items		
24-Jan-2018 Kent Mcparland	.20	Follow up email with Firstbrook re: insurance coverage		
	<u>7.60</u>		\$ 380.00	\$ 2,888.00
28-Feb-2018 Lyse Boucher	.20	PMarchand is asking me to get info on the file RE: property - MNP website only french- email to STitle regarding same,		
	<u>.20</u>		\$ -	0
21-Jun-2017 Matthew Lem	.10	Attend to follow-up with Richmond Advisory re contact for property management.		
29-Nov-2017 Matthew Lem	.10	Various discussions with S. Title; update discussion with A. Mehta of Richmond Advisory.		
04-Dec-2017 Matthew Lem	.10	Discussions with A. Mehta of RAS re receivership application; update discussion from S. Title.		
13-Dec-2017 Matthew Lem	.10	Update discussion with A. Mehta of RAS re Appointment Application and taking possession; update discussion with S. Title re same.		
15-Dec-2017 Matthew Lem	1.60	Attend to taking possession of 1450 Don Mills, including meeting with RAS and A. Jiang		

18-Dec-2017 Matthew Lem	5.30 Attend Premises; meet with Richmond Advisory on building status matters; meet with A. Jiang re information requested; forward lease to Chaitons; various correspondence and update discussions with S. Title.
19-Dec-2017 Matthew Lem	1.80 Update discussion from RAS; conference call with Chaitons, together with S. Title re lease issue; email to G. Benechetrit re same; attend to utilities and insurance continuation of service matters.
20-Dec-2017 Matthew Lem	1.80 Review and adjust draft letter to debtor and Norstar International re occupantion issues; conference call with Chaitons, Robins Appelby and S. Title re lease issue; email and calls to Pinchin and Colliers; various update discussions with Richmond Advisory on status of property; coorrespondnece with R. Cushing re property tax review.
21-Dec-2017 Matthew Lem	1.20 Review of information in Cushman Wakefield dataroom; correspondence with S. Title re: same; discussion with G. Benchetrit; discussion with CBRE; attend to review and adjust Notice and Statement of Receiver.
22-Dec-2017 Matthew Lem	1.80 Review and adjust Colliers proposal/engagement letter re appraisal correspondence with Colliers re same review of information on Cushman Wakefield's dataroom; correspondence with CBRE re listing agreement and Phase I ESA; call to Pinchin re engagement letter for building condition report; forward copy of Notice and Statement of Receiver to Trez Capital and legal counsel.
29-Dec-2017 Matthew Lem	2.10 Attend to correspondence from RAS; discussion and correspondence with A. Mehta of RAS re same; review and adjust letter to Counterforce; various correspondence with S. Title; attend to revirew and execute Colliers appraisal engagment letter; correspondence with Colliers re same.attend to review, adjust and execute CBRE listing agreement; correspondence with CBRE re same.
02-Jan-2018 Matthew Lem	3.50 Various calls and correspondence to principal and the debtor's counsel; discussion with CRA re HST account; attend to correspondence with RAS; discussions with B. Walford fo CBRE re listing agreements; attend to MLS data form; discussion with R. Cushing re vacancy rebate; attend to fire monitoring agreement; attend to prepartion of operating busget template.
03-Jan-2018 Matthew Lem	.90 Discussions with Pinchin re building condition assessment; discussion with TD Bank; various discussions and corespondence with RAS re site vists, alarm ispection, etc.; correspondence with Colliers re appriaisal. email to B, Schneider; attend to corespondence with R. Cushing;

04-Jan-2018	Matthew Lem	4.80	Attend to issues with Colliers re access; discussions with RAS re same and other property management issues; attend to various correspondence with CBRE and Trez; discussion with Colliers re appraisal; review of TSSA inspection letter re elevators; discussion with CBRE re elevators, property documents/information and other marketing issues; preparation of draft NDA; attend to Pinchin engagement letter re building condition assessment; correspondence with Chaitons re same; attend to operational budget.			
05-Jan-2018	Matthew Lem	3.50	Numerous discussions with B. Walford of CBRE re lease listing agreement; amend lease listing agreement; correspondence with P. Pincus re same; preparation of schedule to sale listing agreement; various correspondence with Pinchin and RAS; review of realty tax issues and correspondence with R. Cushing re same.			
17-Jan-2018	Matthew Lem	.10	Discussion with S. Title re operating budget costs.			
19-Jan-2018	Matthew Lem	.70	Follow-up discussion with RAS re locksmith charges; update discussion with S. Title re same.			
22-Jan-2018	Matthew Lem	.40	Attend to correspondence; follow-up discussion with RAS re locksmith charges; review of fire code.			
25-Jan-2018	Matthew Lem	.10	Review of correspondence from RAS.			
16-Feb-2018	Matthew Lem	.30	Attend to call from accountant engaged by A, Jiang; update discussion with S. Title re same.			
26-Feb-2018	Matthew Lem	.30	Attend to call from creditor; discussion with J. Hue re website update.			
02-Apr-2018	Matthew Lem	.10	Attend to call from Counterforce and Onyx re alarm.			
13-Apr-2018	Matthew Lem	.10	Attend to call from Counterforce re alarm.			
18-Apr-2018	Matthew Lem	.10	Attend to Counterforce call re alarm.			
		<u>30.90</u>		\$	525.00	\$ 16,222.50
21-Mar-2018	Patricia Ball	.10	feb bank rec			
25-Apr-2018	Patricia Ball	.10	march bank rec			
		<u>.20</u>		\$	161.00	\$ 32.20
09-Jan-2018	Robert Cushing	1.00	reading lease and collecting vacancy application details.			
10-Jan-2018	Robert Cushing	2.00	answering emails re: vacancy rebate application process.			
23-Feb-2018	Robert Cushing	4.00	collection of data and completing of vacancy application form to City of Toronto.			
		<u>7.00</u>		\$	425.00	\$ 2,975.00
07-Feb-2018	Sarah Ilnyckyj	.10	Cheque			
12-Feb-2018	Sarah Ilnyckyj	.20	Cheque for 1450 Don Mills (FCA Insurance)			
01-Mar-2018	Sarah Ilnyckyj	.30	Prepare cheque for payment of Utilities - Enbridge			
01-Mar-2018	Sarah Ilnyckyj	2.00	Prepare Mailing for Offers on 1450 Don Mills Road Property			

27-Mar-2018 Sarah Ilnyckyj	.20	Banking		
05-Apr-2018 Sarah Ilnyckyj	.50	Prepare payment of invoices for Toronto Hydro and Richmond Adviosry Services		
06-Apr-2018 Sarah Ilnyckyj	.30	Banking - Prepare cheque for Colliers		
24-Apr-2018 Sarah Ilnyckyj	.30	Banking - FCA Invoice		
03-May-2018 Sarah Ilnyckyj	.20	Record and prepare cheque for Enbridge payment, mail cheque		
	<u>4.10</u>		\$ 187.00	\$ 766.70
16-Jun-2017 Sheldon Title	.20	call with Benchtrit; email flow with Pincus/Dom to monitor debtor's compliance with terms of settlement		
21-Jun-2017 Sheldon Title	.40	mtg with Henry on planning; email to Lisa H		
27-Sep-2017 Sheldon Title	.70	Prepare for, attend at call on 1450 Don Mills with Dom Michaud and Philip Pincus		
29-Sep-2017 Sheldon Title	.40	Review of proposed order; emails with Benechtrit on same; email to Brad Walford at CBRE on confirmation of terms		
02-Oct-2017 Sheldon Title	.30	revise confidential appendices and forward to Dom		
03-Oct-2017 Sheldon Title	1.70	Attendance at meeting with Phil Pincus Moshe Elyovich, Thomas Tran, and Kyle Butler to tour property and to meet to explore alternative options to receivership; follow up phone call with Pincus, Greg and Ken Lai, Dom Michaud to dilberate on options		
27-Nov-2017 Sheldon Title	.30	call with Dom/Philip on status, and next steps on receivership appointment		
28-Nov-2017 Sheldon Title	.30	call with Benchetrit on form of order contemplated in appt and other business related issues with file		
28-Nov-2017 Sheldon Title	.20	email to Pincus on board approval; email to Brad @ CBRE on status		
30-Nov-2017 Sheldon Title	.30	call with Michaud/Benchetrit on Tuesday, Dec 5 court attendance,		
04-Dec-2017 Sheldon Title	.40	phone call with Benchetrit re: Dec 5 9:30 appt and email to Dom on same; receipt of response from Dom		
04-Dec-2017 Sheldon Title	.40	email exchanges on draft order between Michaud, Benchetrit; revisions to same, particularly paragraph 26 on funding of receivership		
05-Dec-2017 Sheldon Title	.10	receipt of advice that matter adjourned to Dec 15; email to CBRE and Lem to advise of delay		
08-Dec-2017 Sheldon Title	.30	call with Philip Pincus on next steps/planning for December 15 hearing		
13-Dec-2017 Sheldon Title	.30	call with Pincus on taking possession		
14-Dec-2017 Sheldon Title	1.50	prepare schedule B, carve out language and forward same to Benchetrit for him to review; receipt of Headon affidavit and review of same; emails and calls to Saxe		
15-Dec-2017 Sheldon Title	2.00	emails to/from Michael Saxe on MNP's involvement with Jiang on an accounting role; emails to Benchetrit; email to Pincus the Peerage language; call with Pincus on same; oversee taking possession related issues and follow up with Matt on leasing of space by private school; receipt of order; etc.		

- 18-Dec-2017 Sheldon Title 1.00 phone calls with Pincus, exchanges with Matt Lem and George Benchetrit re: Northstar lease and exchange with Lem on arranging for consultants to render BCA and appraisal; call with Walford; call to Cushman and Wakefield
- 19-Dec-2017 Sheldon Title 2.20 call with Benchetrit on lease; call with Brad Walford of CBRE (on lease, listing agreement, zoning, etc.) call with Pincus and Lem on lease, status of file; call with Lem and Benchetrit on lease related issues and send agreement to Dom Michaud/Phil Pincus; email to Walford on environmental assessment/finalization re: lease;
- 20-Dec-2017 Sheldon Title 1.70 call with George Benchetrit; email to Moshe at Cushman demanding production of records; conference call Michaud, Lem, Benchetrit, Lam, review of net re: 1450 Don Mills and finding lease listing; email to Benchetrit on Peerage; email to Lem, review of draft letter *2 and comments to Benchetrit; email to Brad Walford on listing agreement; email to Benchetrit on listing agreement;
- 08-Jan-2018 Sheldon Title 1.70 Follow up re: HST/GST issue; call and email with Matt Lem on status of various agreements; costs review; calls with Benchetrit; call with Shiner re: his knowledge of an interested party; email to Walford on authorization to post signage; meet with McParland on costs incurred to date; review of draft letter and exchange of emails with Benchetrit on point;
- 09-Jan-2018 Sheldon Title 2.00 review/execute agreement; review of property management agreement; forward same to Benchetrit for his review; lengthy email to Pincus re: property tax rebate; review of brochure for sales and leasing provided by CBRE; emails to Arun and planning for Jan 10th meeting at property with Pincus and CBRE; development of language concerning sales process for inclusion in CBRE brochure
- 10-Jan-2018 Sheldon Title 3.70 prepare for, and attend at site visit. email to Arun of Richmond on snow removal; circulate an agenda to Phil Pincus; email to Cushing responding to his question re: vacancy refund; forward additional language for Brad Walford to consider in the brochure; further question to Cushing re: vacancy refund via email; email to Lem on site visit; call with Benchetrit on travel to property re: Richmond agreement and CBRE brochure; email to Pincus re: vacancy refund; email from Arun Mehta on Pinchin PCA and to Arun on agreement and Pinchin BCA; review of revised brochures and comments thereon; forward same to Walford
- 11-Jan-2018 Sheldon Title .30 call to Brad Walford to review with him the changes to the brochures and discussion with Kent re: insurance and water

11-Jan-2018 Sheldon Title	.80 review of revised brochures; calls with Walford; call to Moshe of Cushman and Tim Bristol of Colliers to see if they have a survey in their possession; call to Pincus to discuss revised brochures (left msg); return call to Walford on the foregoing;
12-Jan-2018 Sheldon Title	.20 exchange of emails with Benchetrit on registration of order
15-Jan-2018 Sheldon Title	.20 email to partners on 1450 Don Mills being available
16-Jan-2018 Sheldon Title	1.70 to advice from Arun of alarm being triggered; call with Brad Walford on status of launch; call to Gavin Johnson of Pinchin on its timing for the BCA report (left msg); call with George Benchetrit on APS; receipt of Trez claim against guarantor and quick review of same; review and amend CBRE letter to City of Toronto; call with Gavin Johnson on timing; email to Walford; call with Pincus re: vacancy refund/Connecticut financier/potential purchaser due diligence; subsequent call with Benchetrit re: his call with Schneider; call to Cushing followed by email
17-Jan-2018 Sheldon Title	2.40 Review of draft APS and provide limited comments to George Benchetrit; call with Benchetrit re: his draft response to Bernie Schneider's request for access to premises; costs/funding model reviewed; email to partners informing them of acquisition opportunity; call from Barry Sacks; email from Murad's contact and call to Murad's real estate contact re: cooperating realtor's fees; email from Andrew Lee; call with Brad Walford on status; calls with George on agreement/questions re: vacancy refund; email from Cushing re: vacancy refund
18-Jan-2018 Sheldon Title	.40 further work on the budget preparation; email to Pincus to review same; internal email re: sales process
19-Jan-2018 Sheldon Title	.50 call with Philip Pincus on budget related items; receipt of CBRE's first report;
21-Jan-2018 Sheldon Title	.40 email to Brad Walford on Globe ads being expedited; email to Benchetrit forwarding him CBRE report; email to Arun asking about need for fire inspections on a bi-monthly basis
23-Jan-2018 Sheldon Title	.30 receipt of funds; email to Trez to confirm funds; request for preparation of receiver's certificate; email from Walford; email to Gavin Johnson on work orders, etc.
24-Jan-2018 Sheldon Title	1.70 revisions to receiver's certificate; email to Braford re: request for orders against property; call/email to Walford on status and his advice as to whether he obtained a survey/other documents; email to Gavin Johnson on our not having any knowledge of o/s work orders/code orders/; call Jiang; lengthy email to Jiang; call from Benchetrit re: his call from Schneider's office; call from Sean DuPlessis re: his client's interest in property

- 24-Jan-2018 Sheldon Title .60 Call to Brad walford on due diligence re city; email to respond to Gavin Johnson; email to Walford on postcard/disclaimer;
- 25-Jan-2018 Sheldon Title .70 email to Arun requesting written snow removal contract, email from Echa on CRA claim and to my advising her that there is no need for further investigation given the notional nature of the claim; email to Adriana at FCA on need for insurance related info; email from and to Hilderley of CBRE on its revised brochure and postcard and to my comments on same; email from Pincus on APS and response thereto; email to George as to whether he has heard from Dom
- 26-Jan-2018 Sheldon Title .80 review of Regal's quotes and questions of Arun on why one supplier suggests testing is mandatory while the other suggests optional; emails to Jiang on scheduling of Monday meeting
- 29-Jan-2018 Sheldon Title 3.00 Attendance at property to meet Jiang. Call, test and email Jiang afterwards call to Benchetrit to organize exam; reporting to Pincus; return to office ; email to Arun on alarm being triggered; call with Sinclair and Phil Phincus and email to Sinclair ; email exchanges with Don Anderson on terms of renewal insurance coverage; email to Lisa of Trez on same; review of costs of fire inspection and to my emailing to Arun requesting that he seek a reduction in monthly cost from Regal;
- 30-Jan-2018 Sheldon Title 1.20 email to Arun on insurance broker's requirement that it carry out daily inspections;review of supeona; email to George on the email from FCA (Crooker) asking about whose name the policy should be in; email from Sinclair on committee of adjustments; calls to Benchetrit to discuss, followed by call to Walford (left msg); email to Crooker; email from Anderson; email to Jiang
- 30-Jan-2018 Sheldon Title .80 Calls to Sinclair, Brad Walford of CBRE and George Benchetrit of Chaitons and emails on issues of zoning application; email from Jiang on access
- 31-Jan-2018 Sheldon Title .60 call with Sacks on CofA process and client interest ; call from Spencer on missing info for CofA; call with Benchetrit on the CofA and subpoena; emails with Arun and Nicholas O'Brien to confirm Regal's involvement in receivership
- 01-Feb-2018 Sheldon Title .80 Email from Brad Walford on alleged break in and forward to Arun for his consideration, call to Arun re:same; email from Frank on his inspections and forward to Walford et al, email to Sinclair to follow up on CofA application; call with Pincus

02-Feb-2018 Sheldon Title	.60 call Arun; call to Jiang (left msg); call to Sinclair (left msg); call from Sinclair on timing of application; email to Regal on asking for agreement; forward template agreement to CBRE
04-Feb-2018 Sheldon Title	.80 review of draft appraisal report; review of Regal agreement; forward to George to bounce off him the standard terms and conditions; email to Regal to eliminate indemnity/limitation; email to Anchuan Jiang re: his request for access;
05-Feb-2018 Sheldon Title	1.30 review of draft appraisal; call with Vincente of Colliers on square footage; email to Brad Walford on same; email to Regal/Arun on finalizing fire inspection services; call from mortgage broker (Kirk) seeking access to property; emails with George on same
06-Feb-2018 Sheldon Title	.90 review CofA application; forward same to George Benchetrit with comments; request cover letter from prospective purchaser; call with Walford on size of property; call from Kirk (mtg broker) and return email; receipt of email from Chaitons on issue surrounding the Cof A application; emails to/from Kirk and to Arun at Richmond to arrange inspection by Kirk's team;
07-Feb-2018 Sheldon Title	.70 review of BCA and call to Walford; email to Benchetrit, finalize arrangements for site inspection
08-Feb-2018 Sheldon Title	1.00 Update call from Walford and discuss coordinating site visits and call with Pincus to review CofA issue and bca and call to Sinclair and emails and call with Kirk
09-Feb-2018 Sheldon Title	.90 call with Sinclair on Cof A and load testing; emails to Pincus; email from Crooker on renewal/invoice and email to Crooker on change to policy re: loss payee; receipt of reporting letter and email to Walford question re: interest of parties
11-Feb-2018 Sheldon Title	.10 emails with George re: service
12-Feb-2018 Sheldon Title	.50 call with Benchetrit re: serving Jiang; email to Cushing on lead time re: vacancy refund; receipt of property manager's billing
13-Feb-2018 Sheldon Title	1.20 Review of Pinchin reporting; emails with Pincus, Walford, Benchetrit; review of Benchetrit's response to Schneider and revisions therefo; email to Johnson;
14-Feb-2018 Sheldon Title	.60 call from interested party and direct to cbre; email to Benchetrit on his revised wording for his communication with Jiang; email from Arun of Richmond wherein Kirk of Genesis seeks access to obtain repair bill from premises to support refinancing efforts; email to Kirk asking for him to elaborate on need for repair bill; email to Arun
15-Feb-2018 Sheldon Title	.60 call with Gavin Johnson on condition assessment report (relay/discuss Trez's concerns) and email to Philip on same; email from Arun re: fire inspection

16-Feb-2018 Sheldon Title	1.20 email to Walford re: reporting letter; email to Benchetrit on non-response from Kirk; email to Pincus on his ability to connect with Gavin Johnson of Pinchin; second email to Walford on BCA; third email to Walford on measurement of property; call to Walford; email to Benchetrit on Matt's receiving call from Jiang's accountant and request for access/info;
20-Feb-2018 Sheldon Title	.50 email to Vicente at Colliers re: dimensions of property; email from and call to George Benchetrit on exam prep; emails to/from Arun
21-Feb-2018 Sheldon Title	.80 calls to/from Brad Walford on status/dimensions/BCA/Schedule B; finalization with George Benchetrit re: schedule B; emails with Arun on Onyx's visit; emails to/from Vicente (Colliers) and Gavin of Pinchin on finalization of BCA;
22-Feb-2018 Sheldon Title	2.00 Examination of Mr Jiang; calls with Gavin Johnson and Brad Walford afterwards arising from Jiang's interest in the property
23-Feb-2018 Sheldon Title	1.30 Review of revised BCA; call with Benchetrit; emails with Gavin Johnson; email to Brad Walford; call with Kirk; email from dom on status
23-Feb-2018 Sheldon Title	.20 Emails with Cushing re vacancy refund and review of diagram to identify portion of property that is used
26-Feb-2018 Sheldon Title	.70 call with Brad Walford on status; call with Dom and George
26-Feb-2018 Sheldon Title	.40 Emails with Arun on elevator; reporting g letter from CBRE; further emails on vacancy refund
27-Feb-2018 Sheldon Title	1.70 call with representatives of Richmond, Kone on elevator mtncs; email from Dom forwarding Scheider's email re: request for NDA and APS; call with Schneider; email from purchaser on request for extension and to my response that offer is due at 5 PM; email from Arun on Jiang's showing at the property; review of offers received; call with Brad Walford;
28-Feb-2018 Sheldon Title	.90 call with Dom and George on offer status; emails to CBRE; email from Lyse of our Montreal office on status, and call to Pierre Marchand.
28-Feb-2018 Sheldon Title	1.20 call with Ryan, Brad, Tony (CBRE), George, Dom and Philip on offer summary
28-Feb-2018 Sheldon Title	.80 Letter to interested parties re: phase 2
01-Mar-2018 Sheldon Title	1.30 receipt of comments from Benchetrit on the letter; arrange for finalization of letter; call with Walford on letter and next steps and his having received messages from Bernie Schneider on Feb 28 (1 day after deadline) asking for NDA and ability to submit offer); forward Schneider messages to Benchetrit; call with Benchetrit; emails to Walford on missing addresses; email from Donald Anderson asking about status of sales process and whether we need to arrange extended coverage; email response back advising of March 9th extension for submitting offers; email to Arun on my meeting with JIANG;

02-Mar-2018 Sheldon Title	2.10 attendance at property; wait for Jiang to arrive (no show); to my receiving his voice mail after the fact to advise that he attended at 11:14 for a 10:30 meeting (I stayed until between 10:15-10:55); call with Benchetrit; call to Brad Walford on status of letters and feedback from bidders; call with Pincus on letters/other; emails with Cathy Crooker on insurance extension; call from Brad Walford and to receipt of offer from Schneider on behalf of his client
05-Mar-2018 Sheldon Title	.30 email to Pincus, update letter to Jiang to advise of late submission; email to Benchetrit
06-Mar-2018 Sheldon Title	.20 email to Crooker on insurance extension;
07-Mar-2018 Sheldon Title	.80 emails with CBRE on status of rebidding process; with Arun on tripping of alarm by CBRE amd calls from constable; review of RAS invoice and request amendment to correct error
08-Mar-2018 Sheldon Title	1.50 review of SRD; authorize pymt of property manager bill; calls and emails with Walford on Budget's email on lawyers speaking; forward to Benchetrit; call with Benchetrit; emal to Walford on same; email from Walford on Access' request for roof inspection; email/call to Pincus; further email from Walford on questions posed by purchaser on process; forward to Benchetrit and forward responses to Walford; call with from Walford on Budget's concerns about presenting a firm offer; call with Benchetrit and Walford on same;
12-Mar-2018 Sheldon Title	1.20 offer reviews and review of exchange between Bernie and George and comment on same; remind George to carve out the 2017 vacancy refund from the deal
13-Mar-2018 Sheldon Title	2.50 Numerous calls with Dom/Philip/purchasers/review and consideration of offers; emails from Scheider requesting access for Jiang; coordinate with Arun;
14-Mar-2018 Sheldon Title	1.50 email to Mehta on instructions for inspection; email and call with Ryan of CBRE re: Budget; email from Pincus on Budget and responses thereto; finalize SRD for Pincus; discussion with Benchetrit on RAS agreement and revise agreement and forward blacklined version to Mehta;
15-Mar-2018 Sheldon Title	1.30 call with Benchetrit re: review of terms; review of terms of amended transaction and provide comments; exchange with Pincus on Budget; email to Pincus on his review of SRD and his questions re: locksmith and property manager and the insurance; email to George on the March 16th date for acceptance of Budget's offer and request Jiang answer his undertakings at examination
16-Mar-2018 Sheldon Title	.60 email to/from Cathy Crooker on status of deal and need for extension of coverage; email to George on budget; email to Phil Pincus on Budget deal; to advice from CBRE of Jiang's failure to show today

19-Mar-2018 Sheldon Title	.40 review of CBC article on Jiang; call with Brad Walford on status of offer; emails re: Budget offer being executed; emails from/to property manager on fire safety monitoring
20-Mar-2018 Sheldon Title	.70 emails with Philip Pincus on his displeasure with wording in agreement/emails with George and Philip on arranging call; arrange for George to request extension of time for acceptance of offer; advise Philip of same; review of questions from Pincus and consideration of same
21-Mar-2018 Sheldon Title	1.50 call with Pincus/Michaud/Benchetrit;
22-Mar-2018 Sheldon Title	.40 email to Brad the letters to unsuccessful bidders advising of conditional sale; review of exchange of emails between Jiang's counsel and George; email to George on same; email to Pincus on deposit status
23-Mar-2018 Sheldon Title	.30 review of Onyx's findings; email to Arun re: conditional offer and to requesting call with Onyx to review with it the urgent issues; emails on Budget's request for entry and to lack of deposits received
26-Mar-2018 Sheldon Title	1.20 finalize budget, send same to Pincus; review of revised wording on APS and email to Benchetrit to confirm acceptance; monitor receipt of deposit funds; emails with Arun re: Onyx phone call;
27-Mar-2018 Sheldon Title	.30 call from Ryan on alarm being triggered on Budget's arrival; call from Ryan on finding drawings during architectural testing; call with George on deposit;
28-Mar-2018 Sheldon Title	.30 Communications re: deposit with Hue, George, TD and Pincus
29-Mar-2018 Sheldon Title	.80 call with Onyx on fire safety recommendations; call with Brad Walford on Budget wishing to carry out further review; emails with TD and George on Budget's deposit; issue Receiver's certificate
30-Mar-2018 Sheldon Title	.40 emails to George on receipt of wire; advise Jessie to send back excess cash; calculate excess funds
02-Apr-2018 Sheldon Title	.40 emails with Pincus on receipt of funds/further inspections/email to Cathy Crooker on instructions re: endorsement; emails to Brad on whether Budget is preparing to carry out further due diligence this week; emails to Jessie on Budget wire; email exchange with property manager
04-Apr-2018 Sheldon Title	.30 email and call from Walford on structural testing at site; email to Arun to see if he is available to oversee the work being performed; email exchange with Benchetrit re: indemnity given scope of testing
05-Apr-2018 Sheldon Title	.80 email exchange with Benchetrit re: Budget indemnity; call with Crooker on wording of Budget insurance in indemnity agreement; email from Arun on tree damage; sign cheques; agreement finalized

07-Apr-2018 Sheldon Title	.20 review insurance certificate from subcontractor and email Benchetrit on whether coverage should also come from others involved in structural work
08-Apr-2018 Sheldon Title	.20 call with Benchetrit on indemnity/insurance; email to Arun and Brad greenlighting the structural testing
09-Apr-2018 Sheldon Title	.30 Emails exchanged re property tax bills and with Arun on ongoing issues with sensor and tax bill indicating Toronto is going to appoint a bailiff and call with Benchetrit
10-Apr-2018 Sheldon Title	.40 call from Walford on Budget's request for confirmation of our having insurance coverage; email to Brad confirming same and confirming that we're relying on its contractors coverage as well; emails to/from Walford on property tax issue
11-Apr-2018 Sheldon Title	.40 letter to the City on its April 4th notice suggesting a bailiff would be appt to collect taxes;
12-Apr-2018 Sheldon Title	.30 Call with Benchetrit and emails to Brad Walford and Arun on further testing
13-Apr-2018 Sheldon Title	.30 call with Walford on Budget's need for additional access; email from Walford confirming same; email to Benchetrit on same
16-Apr-2018 Sheldon Title	.40 emails to Arun/Allan MacFarlane (Onyx) on work to be done on fire safety; email to Arun re: tree removal fee estimate; email to Leo (architect for Budget) on its intention with respect to kitchen suppression equipment; follow up emails from Arun
19-Apr-2018 Sheldon Title	.40 email to City of Toronto responding its message on est. timing for its being paid property taxes; email/call to Leo Romanese; email to Walford
23-Apr-2018 Sheldon Title	.10 exchange of emails with Pincus on additional testing being performed
24-Apr-2018 Sheldon Title	.20 pay FCA invoice and review policy; call with Brad Walford on Budget's request for additional 1/2 hour
25-Apr-2018 Sheldon Title	1.10 update call with Property Manager; email with PM re: separated bill for Budget to share; update SRD and review cash position
26-Apr-2018 Sheldon Title	.20 email exchanges with Pincus and Walford re: SRD and Budget, respectively
27-Apr-2018 Sheldon Title	.50 call with Arun Mehta and email to/from Mehta on, among other things, the hvac company shutting down boilers
29-Apr-2018 Sheldon Title	.10 email to Stephanie Major
03-May-2018 Sheldon Title	2.00 Letter from Budget's counsel; call with Walford on same, call with Benchetrit on strategy; conference call with Pincus and Michaud and Benchetrit to discuss approach; review of Budget's consultants reports and findings;
07-May-2018 Sheldon Title	1.00 Conference call with Philip/Trez/Dom and George on strategy to deal with Budget offer; calls and email with walford; call with a George ahead of call

09-May-2018 Sheldon Title	1.40 numerous phone calls and emails with Pincus, Walford, Benchetrit on negotiations vis a vis purchase price			
10-May-2018 Sheldon Title	1.70 exchange of emails with Benchetrit; email to Pincus on seeking written authorization for further negotiations with purchaser; call with Walford and call with Benchetrit on revised offer; call with Dom Michaud; negotiate with Benchetrit on closing date and discussions/emails with Pincus on same; review and sign Reinstatement and Amendment; ;			
10-May-2018 Sheldon Title	3.40 preparation of first report, emails to Benchetrit requesting copies of supplementary affidavits and redaction of APS (for purposes of report), email to Crooker re: update on sale of property as requested for purposes of monitoring need for extended insurance coverage; email to Mehta on status of sale and need to connect with Onyx on o/s points; email to Cushing on property tax refunds and steps that need to be taken given sale of property to maximize 2018 refunds; email to Hue on need for s.246(2) report;			
11-May-2018 Sheldon Title	2.00 email with Crooker to clarify timing on closing; emails to Walford on request that he return prospective purchaser's msg on status and email to Walford to update him on status; receipt from Chaitons of CBRE's invoice and review of same; email from Cushing on 2018 vacancy refund; email to Walford on his phone campaign, further work on report			
12-May-2018 Sheldon Title	1.30 continued work on report; email to Cushing asking if vacancy refund can be expedited; email to Pincus on property tax arrears/CBRE invoice			
14-May-2018 Sheldon Title	2.00 complete draft report, and forward same to Benchetrit, call with Allan and Arun on Onyx's findings in view of pending closing; emails to/from Cushing on quantum of tax refund, emails to Pincus on same; billing and review draft Notice of Motion			
		<u>101.40</u>	\$ 590.00	\$ 59,826.00
Total		<u><u>171.80</u></u>		<u><u>87,400.80</u></u>

Appendix “I”

Court File No. CV-17-11800-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

**TREZ CAPITAL LIMITED PARTNERSHIP,
TREZ CAPITAL (2011) CORPORATION and
COMPUTERSHARE TRUST COMPANY OF CANADA**

Applicants

-and-

2481043 ONTARIO INC.

Respondent

AFFIDAVIT OF MICHAEL KRIL-MASCARIN

I, Michael Kril-Mascarin, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am an associate with the law firm of Chaitons LLP ("**Chaitons**"), lawyers for MNP Ltd., in its capacity as receiver of all of the assets, undertakings and properties of 2481043 Ontario Inc., in this proceeding, and as such have knowledge of the matters to which I hereinafter deposed.
2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to for MNP Ltd. totalling \$47,731.60 (comprised of fees of \$40,892.50, disbursements of \$1,406.74 and HST of \$5,432.36) with respect to this proceeding¹:

Exhibit "A" – Account for the period up to and including May 31, 2017;

¹ Certain docketts have been redacted to avoid disclosure of the identity of parties who submitted bids to purchase the property at 1450 Don Mills, Toronto.

Exhibit “B” – Account for the period up to and including January 12, 2018;

Exhibit “C” – Account for the period up to and including March 31, 2018;

Exhibit “D” – Account for the period up to and including April 30, 2018; and

Exhibit “E” – Account for the period May 1, 2018 to May 15, 2018,

3. I confirm that the accounts described above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from May 14, 2017 to May 15, 2018.

4. Attached hereto as **Exhibit “F”** is a summary of additional information with respect to Chaitons’ accounts, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charges and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

SWORN before me at the City)
of Toronto, this 17th)
day of May, 2018)
)



Michael Kril-Mascarin



A Commissioner For Taking Affidavits, etc.

Rikki Yungler, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires June 7, 2019.

This is Exhibit "A" to the Affidavit of Michael Kril-Mascarin
sworn on May 17th, 2018

A handwritten signature in black ink, appearing to be the initials 'MK' followed by a horizontal line.

A Commissioner for the taking of affidavits, etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com



INVOICE NUMBER: 262869

May 31, 2017

MNP LLP
300 - 111 RICHMOND STREET WEST
TORONTO, ON M5H 2G4

Re: 1450 DON MILLS ROAD, TORONTO, ONTARIO
Our file: 005715-52744

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 31, 2017:

PROFESSIONAL FEES		
SUBJECT TO HST	\$3,812.50	
SUB-TOTAL		\$3,812.50
HST at 13.00%		\$495.63
GRAND TOTAL		<u>\$4,308.13</u>

Amount payable on the current invoice	\$4,308.13
Plus outstanding invoices on this matter	\$0.00
Amount Due	<u>\$4,308.13</u>
Trust Balance	

GST No R124110933

INVOICE NUMBER: 262869

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#3940610v1

**PROFESSIONAL FEES:**

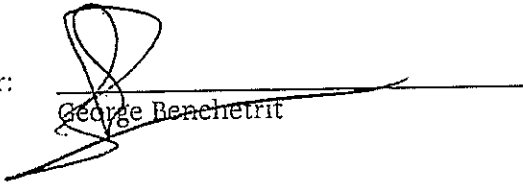
May 14, 17	GBB	Telephone conference with S Title re receivership application	0.30	\$187.50
May 15, 17	GBB	Telephone conference with D Michaud re receivership application	0.20	\$125.00
May 16, 17	GBB	Review of receivership application material; review of draft MNP report; Telephone conference with S Title re discussions with debtor	1.50	\$937.50
May 17, 17	GBB	Revisions to draft pre-filing report and discussions with M Lem to finalize report	2.10	\$1,312.50
May 18, 17	GBB	Review of draft confidential appendices and draft listing agreements; Telephone conferences with MNP to finalize report	1.00	\$625.00
May 25, 17	GBB	Attendance before Justice Newbould for scheduling order	1.00	\$625.00
		TOTAL HOURS	6.10	\$3,812.50

TOTAL PROFESSIONAL FEES
HST at 13.00%

\$3,812.50
495.63

GRAND TOTAL**\$4,308.13****CHAITONS LLP**

per:


 A handwritten signature in black ink, appearing to read "George Benchehrit", is written over a horizontal line.

George Benchehrit

GST No R124110933

INVOICE NUMBER: 262869

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

This is Exhibit "B" to the Affidavit of Michael Kril-Mascarin
sworn on May 17th, 2018

A handwritten signature in black ink, appearing to be the initials 'MK' or similar, written in a cursive style.

A Commissioner for the taking of affidavits, etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com



INVOICE NUMBER: 265366

January 12, 2018

MNP LLP
300 - 111 RICHMOND STREET WEST
TORONTO, ON M5H 2G4

Re: 1450 DON MILLS ROAD, TORONTO, ONTARIO
Our file: 005715-52744

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including December 31, 2017:

PROFESSIONAL FEES		
SUBJECT TO HST	\$4,127.50	
SUB-TOTAL		\$4,127.50
DISBURSEMENTS		
NON TAXABLE	\$214.59	
SUBJECT TO HST	\$28.40	
SUB-TOTAL		\$242.99
HST at 13.00%		\$540.27
GRAND TOTAL		\$4,910.76

Amount payable on the current invoice	\$4,910.76
Plus outstanding invoices on this matter	\$0.00
Amount Due	<u>\$4,910.76</u>
Trust Balance	

GST No R124110933

INVOICE NUMBER: 265366

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com

2.

**PROFESSIONAL FEES:**

Dec 13, 17	GBB	Telephone conference with S Title re terms of CBRE listing agreement	0.40	\$250.00
Dec 15, 17	GBB	Review of motion material of 2481043; review of Peerage carve out language; Telephone conference with S Title	0.30	\$187.50
Dec 18, 17	GBB	Telephone conference with S Title re school operating at Don Mills property; review of listing agreements and memo to S Title; review of lease and memos to and from MNP	1.20	\$750.00
Dec 19, 17	GBB	Telephone conferences with S Title and S Lavine and memos to and from C Wilson re operation of school and related issues; letter to 248 and Norstar re lease, safety and occupation issues	2.50	\$1,562.50
Dec 19, 17	CW	To receipt of correspondence from G. Benchetrick to conduct zoning search on 1450 Don Mills Road; to conducting on-line searching of the zoning by-laws and advising G. Benchetrick of the findings;	0.30	\$57.00
Dec 20, 17	GBB	Telephone conferences with MNP and D Michaud; review of information from City of Toronto, revising and finalizing letter to A Jiang	1.90	\$1,187.50
Dec 20, 17	CW	To attending at the City of Toronto's building and zoning office to review zoning and permitted uses and to advising G. Benetrick of findings;	0.50	\$95.00
Dec 21, 17	CW	To receipt of correspondence from Simona at the City of Toronto's planning department regarding the permitted uses and forwarding same to G. Benchetrick.	0.20	\$38.00
TOTAL HOURS			7.30	\$4,127.50

TOTAL PROFESSIONAL FEES**\$4,127.50**

HST at 13.00%

536.58

DISBURSEMENTS:

GST No R124110933

INVOICE NUMBER: 265366

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, Interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com

4.



Subject to HST:

Internet Search Fee Taxable	\$28.40	\$28.40
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Non-Taxable:

Zoning Compliance Non-taxable	\$198.59	
Government Disbursement Internet Search Non-tax.	\$16.00	
		\$214.59

TOTAL DISBURSEMENTS**\$242.99**

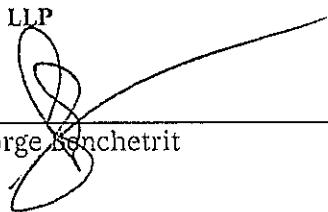
HST at 13.00%

3.69

GRAND TOTAL**\$4,910.76**

CHAITONS LLP

per:



George Benchetrit

GST No R124110933

INVOICE NUMBER: 265366

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#<UNDEFINED>v<UNDEFINED>

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com

5.

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
GEORGE BENCHETRIT	\$625.00	6.30	\$3,937.50
CHERYL WILSON	\$190.00	1.00	\$190.00
Total:		7.30	\$4,127.50

GST No R124110933

INVOICE NUMBER: 265366

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#<UNDEFINED>v<UNDEFINED>

This is Exhibit "C" to the Affidavit of Michael Kril-Mascarin
sworn on May 17th, 2018

A handwritten signature in black ink, appearing to be the initials 'MK' or similar, written in a cursive style.

A Commissioner for the taking of affidavits, etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
www.chaitons.com



INVOICE NUMBER: 266195

March 31, 2018

MNP LLP
300 - 111 RICHMOND STREET WEST
TORONTO, ON M5H 2G4

Re: 1450 DON MILLS ROAD, TORONTO, ONTARIO
Our file: 005715-52744

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including March 31, 2018:

PROFESSIONAL FEES		
SUBJECT TO HST	\$23,180.00	
SUB-TOTAL		\$23,180.00
DISBURSEMENTS		
NON TAXABLE	\$129.35	
SUBJECT TO HST	\$851.40	
SUB-TOTAL		\$980.75
HST at 13.00%		\$3,124.08
GRAND TOTAL		\$27,284.83

Amount payable on the current invoice	\$27,284.83
Plus outstanding invoices on this matter	\$4,910.76
Amount Due	<u>\$32,195.59</u>
Trust Balance	

GST No R124110933

INVOICE NUMBER: 266195

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**PROFESSIONAL FEES:**

Jan 2, 18	GBB	Memos to and from MNP and D Michaud re tenant and listing issues	0.30	\$187.50
Jan 3, 18	GBB	Memos to and from MNP re vacancy rebates	0.30	\$187.50
Jan 4, 18	GBB	Review of and revisions to confidentiality agreement	0.50	\$312.50
Jan 5, 18	GBB	Memos to and from MNP re lease issues	0.30	\$187.50
Jan 8, 18	GBB	Telephone conference with S Title re lease and marketing issues; drafting letter to A Jiang re marketing property without regard to lease	0.70	\$437.50
Jan 9, 18	GBB	Review of and revisions to draft property management agreement	2.00	\$1,250.00
Jan 10, 18	GBB	Revising draft CIM terms; Telephone conference with S Title re property management agreement; revising agreement and memo to S Title	1.50	\$937.50
Jan 12, 18	PS	To registering an Application to Register Court Order, appointing MNP Ltd. as receiver on property;	0.20	\$38.00
Jan 16, 18	GBB	Telephone conference with B Schneider re attendance at property; Telephone conference with S Title re various issues; drafting template APS for property	2.30	\$1,437.50
Jan 17, 18	GBB	Telephone conferences with S Title re vacancy rebate, inspection of property by A Jiang et al, and other issues; memos to and from B Schneider re inspection of property by A Jiang and additional information required from A Jiang	1.00	\$625.00
Jan 22, 18	GBB	Memos to and from and Telephone conference with S Title re A Jiang access and related issues	0.40	\$250.00
Jan 24, 18	GBB	Telephone conferences with J Warner and S Title re HST files and information from A Jiang	0.30	\$187.50
Jan 25, 18	GBB	Review of Richmond changes to property management agreement; memo to S Title	0.30	\$187.50

GST No R124110933

INVOICE NUMBER: 266195

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Jan 29, 18	GBB	Telephone conferences with S Title re A Jiang; drafting summons to witness; memos to and from MNP re information required from A Jiang	0.80	\$500.00
Jan 30, 18	GBB	Telephone conferences with S Title re CoA application by Peerage and related issues; finalizing summons to witness for A Jiang and arranging for service	0.50	\$312.50
Jan 31, 18	GBB	Telephone conference with S Title re service of summons and Peerage CoA application	0.30	\$187.50
Feb 4, 18	GBB	Review of Regal contract and memos to and from S Title re indemnity and limitations of liability	0.40	\$250.00
Feb 6, 18	GBB	Telephone conferences with S Title re committee of adjustments application for Peerage and site visits; telephone conference with and memos to and from R Miller re committee of adjustments procedures	0.80	\$500.00
Feb 6, 18	RAM	To telephone conversation with G. Benchetrit re multiple applications to committee of adjustment and e-mail to planning consultant accordingly;	0.30	\$192.00
Feb 7, 18	GBB	Review of snow removal contract and memos to and from S Title re liability restrictions	0.40	\$250.00
Feb 12, 18	GBB	Telephone conference with S Title re A Jiang and status of sale process	0.20	\$125.00
Feb 13, 18	GBB	Memos to and from S Title and B Schneider re building condition report and failure of A Jiang to cooperate	0.50	\$312.50
Feb 14, 18	GBB	Memos to and from B Schneider; Telephone conference with S Title re A Jiang issues	0.40	\$250.00
Feb 20, 18	GBB	Preparation of questions for A Jiang examination, including Telephone conference with S Title	1.00	\$625.00
Feb 21, 18	GBB	Telephone conference with S Title re various issues and drafting Schedule B document for LOIs	0.50	\$312.50
Feb 22, 18	GBB	Examination of A Jiang	1.80	\$1,125.00
Feb 26, 18	GBB	Telephone conference with S Title and D Michaud re sale process update	0.50	\$312.50
Feb 27, 18	GBB	Review of summary of bids received by CBRE; telephone conference with S Title re bids and next steps	0.50	\$312.50

GST No R124110933

INVOICE NUMBER: 266195

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4.



Feb 28, 18	GBB	Review of offers; Telephone conferences with D Michaud, S Title, P Pincus, B Walford re offers and next steps	2.10	\$1,312.50
Mar 1, 18	GBB	Telephone conferences with S Title and B Schneider re A Jiang refinancing or purchase	0.80	\$500.00
Mar 2, 18	GBB	Review of Jiang LOI and Telephone conference with S Title re response; drafting language for letter from MNP to A Jiang re submission of binding offer	0.50	\$312.50
Mar 6, 18	GBB	Telephone conference with clients re payout of debt and approval motion	0.40	\$250.00
Mar 8, 18	GBB	Telephone conferences with A Sugar re offer from Budget; Telephone conference with S title and B Walford re terms of offers due March 9	1.00	\$625.00
Mar 11, 18	GBB	Review of offers from memos to and from S Title re issues with offers	1.00	\$625.00
Mar 12, 18	GBB	Review of offer summary; Telephone conference with CBRE, P Pincus, D Michaud, S Title re approach for various offerors; memo to B Schneider re Jiang offer	0.90	\$562.50
Mar 13, 18	GBB	Telephone conferences with MNP, D Michaud re conditions in pending offers and related issues	2.20	\$1,375.00
Mar 14, 18	GBB	Telephone conference with re conditions in their clients' offers; Telephone conference with S Title re Richmond amendments to property management agreement	1.20	\$750.00
Mar 15, 18	GBB	Telephone conferences with and memos to and from A Sugar and S Title re Budget conditions; revising Budget offer and memo to A Sugar; memos to and from B Schneider re A Jiang offer; memo to D Fogel re Jiang undertakings	2.20	\$1,375.00
Mar 16, 18	GBB	Telephone conference with memos to and from A Sugar and Telephone conference with S Title re finalizing Budget agreement; Telephone conference with S Lavine re Budget conditions and related issues	1.20	\$750.00

GST No R124110933

INVOICE NUMBER: 266195

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 6.5% per annum commencing one month after delivery of this account.

Doc#4163977v1

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5.



Mar 16, 18	SL	To review of revised agreement of purchase and sale, together with the comments of G. Benchetrit in connection therewith; to e-mail correspondence to G. Benchetrit enclosing my comments; to telephone conversation with G. Benchetrit in respect thereto;	1.50	\$637.50
Mar 19, 18	GBB	Memos to and from Foglers and MNP and review of agreement signed by Budget	0.50	\$312.50
Mar 20, 18	GBB	Memos to and from and Telephone conference with S Title re condition in Budget APS	0.50	\$312.50
Mar 21, 18	GBB	Telephone conferences with P Pincus, D Michaud, S Title re condition in Budget APS and next steps; memos to and from A Sugar re condition in APS; delivery of signed APS; revisions to letter to unsuccessful bidders;	1.20	\$750.00
Mar 22, 18	GBB	Memos to and from Foglers re deposit; memos to and from B Schneider re alleged offer by A Jiang	0.30	\$187.50
Mar 26, 18	GBB	Memos to and from A Sugar re amendment to APS and payment of deposit	0.50	\$312.50
Mar 27, 18	GBB	Telephone conference with and memos to and from S Title re payment of deposit and inspections by Budget	0.30	\$187.50
Mar 29, 18	GBB	Memos to and from B Schneider re status of process; memos to and from Foglers re security deposit	0.40	\$250.00
		TOTAL HOURS	37.70	\$23,180.00

TOTAL PROFESSIONAL FEES**\$23,180.00**

HST at 13.00%

3,013.40

DISBURSEMENTS:**Subject to HST:**

Service of Documents Taxable	\$374.50
Kap Litigation Services Taxable	\$90.00

GST No R124110933

INVOICE NUMBER: 266195

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4163977v1

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6.



Examination and Transcript Fee Taxable	\$261.00	
Teraview Charges Taxable	\$25.40	
Teranet Fee Taxable	\$10.60	
Parking Charges Taxable	\$17.70	
Photocopying Charges Taxable	\$7.20	
Teranet Electronic Registration Fee Taxable	\$65.00	
		\$851.40

Non-Taxable:

Registration/Filing Fee(s) Non-taxable	\$63.65	
General Non-taxable	\$53.00	
Teraview Charges Non-taxable	\$12.70	
		\$129.35

TOTAL DISBURSEMENTS**\$980.75**

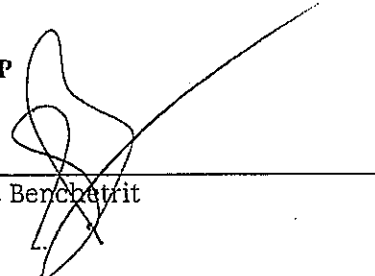
HST at 13.00%

110.68

GRAND TOTAL**\$27,284.83**

CHAITONS LLP

per:



George Benoit

GST No R124110933

INVOICE NUMBER: 266195

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4163977v1

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7.

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
GEORGE BENCHETRIT	\$625.00	35.70	\$22,312.50
ROBERT MILLER	\$640.00	0.30	\$192.00
SHERRI LAVINE	\$425.00	1.50	\$637.50
POPPY SYNARONG	\$190.00	0.20	\$38.00
Total:		37.70	\$23,180.00

GST No R124110933

INVOICE NUMBER: 266195

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4163977v1

This is Exhibit "D" to the Affidavit of Michael Kril-Mascarin
sworn on May ~~14~~, 2018

A handwritten signature in black ink, appearing to be the initials 'MK' followed by a flourish.

A Commissioner for the taking of affidavits, etc.

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INVOICE NUMBER: 266578

April 30, 2018

MNP LLP
300 - 111 RICHMOND STREET WEST
TORONTO, ON M5H 2G4

Re: 1450 DON MILLS ROAD, TORONTO, ONTARIO
Our file: 005715-52744

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including April 30, 2018:

PROFESSIONAL FEES		
SUBJECT TO HST	\$1,125.00	
SUB-TOTAL		\$1,125.00
HST at 13.00%		\$146.25
GRAND TOTAL		\$1,271.25

Amount payable on the current invoice	\$1,271.25
Plus outstanding invoices on this matter	\$32,195.59
Amount Due	<u>\$33,466.84</u>
Trust Balance	

GST No R124110933

INVOICE NUMBER: 266578

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4189373v1

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9

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2.

**PROFESSIONAL FEES:**

Apr 4, 18	GBB	Telephone conferences with A Sugar and S Title re indemnity for testing at property; drafting indemnity agreement	1.00	\$625.00
Apr 9, 18	GBB	Telephone conference with S Title re notice from City of Toronto re tax arrears	0.20	\$125.00
Apr 12, 18	GBB	Memos to and from and Telephone conference with S Title re work on and replacement of floors and ceiling tiles	0.40	\$250.00
Apr 13, 18	GBB	Memos to and from S Title re costs and timing for testing by Budget	0.20	\$125.00
		TOTAL HOURS	1.80	\$1,125.00

TOTAL PROFESSIONAL FEES**\$1,125.00**

HST at 13.00%

146.25

GRAND TOTAL**\$1,271.25****CHAITONS LLP**

per:


 A handwritten signature in black ink, appearing to read "George Benchetrit", is written over a horizontal line. The signature is stylized and somewhat cursive.

George Benchetrit

GST No R124110933

INVOICE NUMBER: 266578

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
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3.

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
GEORGE BENCHETRIT	\$625.00	1.80	\$1,125.00
Total:		1.80	\$1,125.00

GST No R124110933

INVOICE NUMBER: 266578

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#4189373v1

This is Exhibit "E" to the Affidavit of Michael Kril-Mascarin
sworn on May 17~~th~~, 2018

A handwritten signature in black ink, consisting of several stylized, overlapping strokes.

A Commissioner for the taking of affidavits, etc.



INVOICE NUMBER: 266746

May 16, 2018

MNP LLP
300 - 111 RICHMOND STREET WEST
TORONTO, ON M5H 2G4

Re: 1450 DON MILLS ROAD, TORONTO, ONTARIO
Our file: 005715-52744

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 15, 2018:

PROFESSIONAL FEES

SUBJECT TO HST	\$8,647.50	
SUB-TOTAL		\$8,647.50

DISBURSEMENTS

NON TAXABLE	\$168.00	
SUBJECT TO HST	\$15.00	
SUB-TOTAL		\$183.00
HST at 13.00%		\$1,126.13

GRAND TOTAL

\$9,956.63

Amount payable on the current invoice	\$9,956.63
Plus outstanding invoices on this matter	\$33,466.84
Amount Due	<u>\$43,423.47</u>
Trust Balance	



PROFESSIONAL FEES:

Apr 4, 18	SL	To e-mail correspondence with G. Benchetrit enclosing sample clauses to be included in the revised agreement of purchase and sale;	0.20	\$85.00
May 2, 18	GBB	Review of fire inspection information and Telephone conference with S Title re related issues	0.50	\$312.50
May 3, 18	GBB	Letter from Budget re costs and APA condition; Telephone conferences with A Sugar, S Title, D Michaud and P Pincus re Budget position and go-forward strategies; preliminary review of reports from Budget	3.20	\$2,000.00
May 4, 18	GBB	Review of additional reports; Telephone conference with S Title re Budget position; memos to and from and Telephone conference with A Sugar	1.20	\$750.00
May 7, 18	GBB	Telephone conference with Trez, S Title, D Michaud re status of Budget transaction; Telephone conference with A Sugar re extension of conditional period and related issues	1.00	\$625.00
May 8, 18	GBB	Telephone conference with Budget team re APS condition; letter from Budget; memos to and from Trez re Budget offer; Telephone conferences with S Title re purchase price and related issues	1.20	\$750.00
May 9, 18	GBB	Telephone conferences with A Sugar, S Title, P :Pincus re Budget transaction and negotiations on purchase price	1.80	\$1,125.00
May 10, 18	GBB	Telephone conferences with and memos to and from A Sugar, S Title re purchase price and closing date; review of and revisions to reinstatement agreement	1.10	\$687.50
May 11, 18	GBB	Telephone conferences with S Title, A Sugar, J Tam; drafting notice of motion; memos to and from CBRE re commissions	1.20	\$750.00

GST No R124110933

INVOICE NUMBER: 266746

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.



May 14, 18	GBB	Review of and revisions to draft report; memos to and from and Telephone conference with S Title	2.00	\$1,250.00
May 15, 18	GBB	Telephone conference with S Title re revisions to draft report, including furniture, books and records; memos to and from S Title re revisions to report	0.50	\$312.50
TOTAL HOURS			13.90	\$8,647.50

TOTAL PROFESSIONAL FEES **\$8,647.50**
HST at 13.00% 1,124.18

DISBURSEMENTS:

Subject to HST:

Internet Search Fee Taxable \$15.00
\$15.00

Non-Taxable:

File Motion Record(s) Non-taxable \$160.00
Government Disbursement Internet \$8.00
Search Non-tax.
\$168.00

TOTAL DISBURSEMENTS **\$183.00**
HST at 13.00% 1.95

GRAND TOTAL **\$9,956.63**

CHAITONS LLP

per: _____
George Benchetrit



LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
GEORGE BENCHETRIT	\$625.00	13.70	\$8,562.50
SHERRI LAVINE	\$425.00	0.20	\$85.00
Total:		13.90	\$8,647.50

GST No R124110933

INVOICE NUMBER: 266746

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

This is Exhibit "F" to the Affidavit of Michael Kril-Mascarin
sworn on May 17th, 2018

A handwritten signature in black ink, appearing to be "R. J. ...", written in a cursive style.

A Commissioner for the taking of affidavits, etc.

MEMBERS OF CHAITONS LLP

	YEAR OF CALL	HOURLY RATE	TOTAL HOURS	TOTAL TIME CHARGES
George Benchetrit	1993	\$625.00	63.60	\$39,750.00
Robert Miller	1984	\$640.00	.30	\$192.00
Sherri Lavine	2008	\$425.00	1.70	\$722.50
Poppy Synarong	Law Clerk	\$190.00	.20	\$38.00
Cheryl Wilson	Law Clerk	\$190.00	1.00	\$190.00
TOTAL				\$40,892.50

TREZ CAPITAL LIMITED PARTNERSHIP et al.

2481043 ONTARIO INC.

Applicants

Respondent

Court File No. CV-17-11800-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at TORONTO

**MOTION RECORD
(MOTION RETURNABLE MAY 24, 2018)**

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, ON M2N 1M9

George Benchetrit (LSUC #34163h)

Tel: (416) 218-1141

Fax: (416) 218-1841

E-mail: george@chaitons.com

**Lawyers for MNP Ltd., in its capacity as court-
appointed receiver of the assets, undertakings
and properties of 2481043 Ontario Inc.**