

Court File No. CV-19-0079639-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE COURT-APPOINTED RECEIVERSHIP
of 9449167 CANADA INC.
of the City of Cornwall, Province of Ontario**

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

and

9449167 CANADA INC.

Respondents

**SECOND AND FINAL REPORT OF MNP LTD., IN ITS
CAPACITY AS COURT-APPOINTED RECEIVER OF
9449167 CANADA INC.**

OCTOBER 6, 2020

Contents

INTRODUCTION AND BACKGROUND4

PURPOSE OF THIS REPORT.....6

NOTICE TO READER7

RECEIVERSHIP ACTIVITIES FOLLOWING THE APPROVAL ORDER7

THE REAL PROPERTY8

THE SALES AGREEMENT AND TRANSACTION8

ONGOING OPERATIONS8

PRIORITY AND SECURED CLAIMS.....8

FUNDS AVAILABLE FOR DISTRIBUTION.....10

PROFESSIONAL FEES.....10

COMPLETION OF THE RECEIVERSHIP11

SUMMARY AND RECOMMENDATIONS11

APPENDICES

- 1 Receivership Order dated March 29, 2019
- 2 First Report of the Receiver dated April 16, 2020
- 3 Approval Order and Ancillary Order dated May 4, 2020
- 4 Notice and Statement of Receiver
- 5 Business Development Bank of Canada Statement of Account
- 6 Statement of Receipts and Disbursements
- 7 Affidavit of John Haralovich, MNP LTD., sworn October 6, 2020
- 8 Affidavit of Roxanne Chapman, Soloway Wright LLP, sworn September 21, 2020

INTRODUCTION AND BACKGROUND

1. 9449167 Canada Inc (“944 Inc.” or the “Company”) is a federally incorporated company with its registered office address located at 1604-205 Wynford Drive, Toronto, Ontario.
2. 944 Inc. is managed and controlled by Mr. Rohit Behl. The Company operated a Shell Gas Station located at 1230 Brookdale Avenue, Cornwall, Ontario (the “Real Property”).
3. On or about April 14, 2016, the Company became indebted to the Business Development Bank of Canada (“BDC” or the “Lender”), its senior secured creditor, with respect to certain credit facilities granted by the Lender pursuant to and under the terms of various credit and security agreements contained as Exhibits C, D, and E to the Receivership Application Record (the “Application Record”) dated March 18, 2019 (the “Security”).
4. As reported in the Application Record, the Company’s obligations to the Lender pursuant to the above loans and the Security (the “Indebtedness”) totaled \$1,070,058.31 as at February 11, 2019 (excluding interest and fees accrued since).
5. The Security provides for the appointment of a receiver in the event of default by the Company under the Security.
6. On October 25, 2016, BDC agreed to a loan amendment that required the Company to make interest only payments for the period of November 2016 to April 2017. A copy of the loan amendment is contained at Exhibit J of the Application Record.
7. On June 5, 2018, the Company requested a further four-month extension to the above loan amendment to September 2018 in order to allow it to market the Real Property for sale. A copy of this standstill agreement between the Company and BDC is contained at Exhibit K of the Application Record.
8. By September 28, 2018, \$999,902.00 of the authorized principal in the amount of \$1,010,000 was drawn by the Company. Contained at Exhibit I of the Application Record is a demand letter issued by BDC detailing the amounts then owed by the Company to BDC.
9. The last full monthly loan payment made by the Company to BDC on account of the Indebtedness was in December 2017. A partial payment in the amount of \$6,000.00 was

made to BDC in August 2018. Since that date no further payments have been made by the Company on account of the Indebtedness.

10. The Company further failed to provide BDC with any financial reporting and proof of insurance coverage for storage tank pollution liability as required by the BDC loan agreement and Security.
11. The Company was also in arrears in municipal taxes remittances in the amount of \$65,447.87, as at February 8, 2019. Contained at Exhibit H of the Application Record is the tax certificate confirming these arrears.
12. The Company also failed to enter into a retailer supply agreement with Shell Canada Limited as required by the loan and Security. Without this agreement, the Company's ability to sell petroleum products was restricted.
13. On September 28, 2018, BDC delivered to the Company a Notice of Intention to Enforce Security in accordance with s. 244 of the *Bankruptcy and Insolvency Act* ("BIA"), which statutory notice is contained at Exhibit I of the Application Record.
14. On October 27, 2018, representatives for BDC attended at the Real Property to discover the operations had ceased and that utility services had been discontinued.
15. In December 2018, BDC retained a property manager to take protective measures to preserve the Real Property.
16. In December 2018, the Mr. Behl approached BDC and advised that the Company would provide BDC with a payment of \$80,000.00 and resume operations by no later than January 10, 2019, which proposal BDC accepted.
17. On January 28, 2019, Mr. Behl advised BDC that the Company was not able to resume operations and raise the required funds he confirmed would be paid to BDC.
18. On March 18, 2019, BDC brought an application for the appointment of MNP Ltd. ("MNP") as the receiver of the Company for the protection of the interests of BDC and other stakeholders.
19. By Order of this Honourable Court dated March 29, 2019 (the "Receivership Order"), MNP was appointed receiver (the "Receiver"), without security, of all of the assets,

undertakings and properties of the Company used in relation to its business, including all proceeds thereof (the “Property”, which is taken to include the Real Property). A copy of the Receivership Order is attached at Appendix “1”.

20. The First Report (without appendices) is attached at Appendix “2”.
21. Pursuant to the Order of the Honourable Madam Justice Sally Gomery dated May 4, 2020, (the “Approval Order”) the Receiver was authorized to proceed with the completion of the Sales Transaction (as defined below) for the sale of the Property and to make an initial distribution to BDC in the amount of \$750,000.00. Attached as Appendix “3” is a copy of the Approval Order, along with a copy of the ancillary order issued on the that same day.
22. The prescribed notice and statement of the Receiver pursuant to ss. 245(1) and 246(1) of the BIA, were sent to the Company’s creditors. A copy of this notice is attached at Appendix “4”.

PURPOSE OF THIS REPORT

23. The purpose of this second and final report of the Receiver to the Court (the “Final Report”) is to:
 - (a) report on the activities of the Receiver since the First Report;
 - (b) seek the Court’s approval of the activities and conduct of the Receiver and that of its legal counsel as described in the Final Report;
 - (c) seek the Court’s approval of the professional fees and disbursements of the Receiver and of its legal counsel;
 - (d) seek the Court’s approval of the Receiver’s final statement of receipts and disbursement;
 - (e) seek the Court’s approval and direction for the Receiver to distribute the remaining funds in the Company’s estate to the BDC, which is constituted as the Company’s primary secured creditor; and
 - (f) obtain the Court’s approval for the release and discharge of the Receiver, including as a term of the Order discharging it, the release and discharge of the Receiver from any and all liability which the Receiver now has or may hereafter

have by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as Receiver, save and except for any gross negligence or willful misconduct on the Receiver's part.

24. All amounts referred to in the Final Report are in Canadian dollars unless otherwise noted.

NOTICE TO READER

25. This Final Report is prepared solely for the use of the Court, for the purpose of assisting the Court in making a determination of whether to approve the relief being sought.
26. In preparing this Final Report, the Receiver has relied upon information from third party sources (collectively, the "Information"). Certain of the information contained herein may refer to, or be based on, the Information. As the Information has been provided by other parties or obtained from documents filed with the Honourable Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy and completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook.

RECEIVERSHIP ACTIVITIES FOLLOWING THE APPROVAL ORDER

27. Since the date of the First Report, the Receiver has undertaken the following actions in accordance with the Receivership Order and the Approval Order:
- (a) completed the Sales Transaction for the sale of the Real Property in accordance with the Approval Order;
 - (b) directed its legal counsel to wire the approved distribution in the amount of \$750,000.00 to BDC;
 - (c) arranged for the property manager to transfer the keys to the purchaser;
 - (d) paid the outstanding City of Cornwall municipal tax invoices;
 - (e) arranged for the termination of utilities in respect of the Real Property or for the transfer of accounts to the purchaser;

- (f) arranged for the termination of the insurance in respect of the Property and the return of excess premiums; and
- (g) obtained an updated payout statement from BDC in respect of the amount owing to it pursuant to its secured claim.

THE REAL PROPERTY

28. On December 14, 2018, BDC obtained a real estate appraisal from McLean, Simon & Associates (Ottawa) which appraised the property at \$1,200,000.00. A copy of the appraisal was attached as Confidential Appendix "A" to the First Report.

THE SALES AGREEMENT AND TRANSACTION

29. On November 20, 2019, the Receiver accepted the final offer to purchase (the "Sales Agreement"), which was attached as Confidential Appendix "C" to the First Report. The Sales Agreement provided that it was unconditional, provided for a 10% (ten percent) deposit and that it was binding, and that the closing (the "Sales Transaction") was subject to approval of the Court.

30. On June 30, 2020, the Sales Transaction closed pursuant to the Sales Agreement and the Approval Order.

ONGOING OPERATIONS

31. The Receiver did not operate the fuel station.

32. The Receiver did obtain an initial advance from BDC and accordingly issued a Receiver's Certificate in the amount of \$20,000.00. Once the Sales Transaction was completed, this advance was repaid to BDC, and the Receiver's Certificate was cancelled.

PRIORITY AND SECURED CLAIMS

Priority Claims

33. The Receiver is not aware of any claims that would rank in priority to BDC's first-ranking secured claim in respect of the Real Property.

Secured Claims

34. The PPSA search results dated March 17, 2020 report that the only registered secured creditor is BDC. A copy of the PPSA search results is attached as Appendix "9" of the First Report.
35. The City of Cornwall tax assessments totaling \$118,686.79 were paid on closing of the Sales Transaction.
36. The parcel register for the Real Property confirms that BDC registered a first-ranking charge on title of the Real Property on April 14, 2016. A copy of the parcel register for the Real Property dated February 28, 2020 was attached at Appendix "11" of the First Report. The parcel register also confirms a subsequent registration on title to the Real Property (subordinate to BDC's mortgage security) in favour of 2323225 Ontario Inc. in the amount of \$250,000.00.
37. The parcel register for the Real Property confirms that Shell Canada Limited ("Shell") registered a Restrictive Covenant (the "Restriction") on title to the Real Property, was to expire on August 30, 2021. The Restriction limited the sale of petroleum products and operation of a convenience food store at the Real Property. A copy of the Restriction and registered instrument with respect to the Restriction was attached in Appendix "12" of the First Report.
38. On March 25, 2020, Gordon Mccue, Assistant Secretary for Shell signed the consent to remove the Restriction from title of the Real Property. A copy of the signed consent was attached at Appendix "14" to the First Report.
39. The Receiver retained Paul O. D'Angelo of BD Law Offices to provide the Receiver with a legal opinion regarding the validity and enforceability of the security held by BDC, a copy of which was attached as Appendix "15" to the First Report.
40. Based on this legal opinion, it appears that BDC's security is valid and enforceable as against the Real Property and creates a first ranking charge. BDC's mortgage is a first-ranking mortgage in the principal amount of \$1,050,00.00, which encumbers title to the Real Property.

41. BDC provided the Receiver with an updated statement of account in respect of the Company's Indebtedness to BDC as of September 11, 2020. As of this date, the outstanding balance owing to BDC was \$504,710.76 plus ongoing interest, and legal costs. The BDC statement of account is attached at Appendix "5".
42. In light of the foregoing, the Receiver will be seeking the authorization of the Court to make a final distribution to BDC for the remaining funds held by the Receiver, after all approved professional fees are paid, to be applied against the Indebtedness.

FUNDS AVAILABLE FOR DISTRIBUTION

43. A copy of the Receiver's Final Statement of Receipts and Disbursements (the "Final Statement") is attached hereto at Appendix "6".

PROFESSIONAL FEES

44. Pursuant to paragraph 18 of the Receivership Order, the fees and disbursements of the Receiver and its legal counsel 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.
45. Pursuant to paragraph 19 of the Receivership Order, the Receiver is entitled to apply reasonable amounts out of the monies in its hands to satisfy its professional fees and disbursements and those of its counsel, and such amounts are to constitute advances against its remuneration and disbursements when and as approved by the Court.
46. Attached as Appendix "7" hereto is the Affidavit of John Haralovich sworn on October 6th, 2020, in support of the fees and disbursements of the Receiver for the period ending October 6th, 2020 totaling \$34,107.00, plus HST in the amount of \$4,173.91 for a total of \$38,540.91. The Receiver estimates an estimated additional \$2,500.00 plus HST for fees and disbursements to conclude the administration of the Receivership.
47. Attached as Appendix "8" hereto is the Affidavit of Roxanne Chapman, sworn on September 21, 2020, in support of the fees and disbursements of the Receiver's counsel for the period ending September 21, 2020 totaling \$22,117.98, inclusive of HST, plus an estimated additional \$5,000.00 plus HST to conclude the administration of the Receivership.

COMPLETION OF THE RECEIVERSHIP

48. As the Receiver's administration of this estate is substantially complete, the Receiver is presently seeking an Order discharging MNP from the powers, duties and obligations attendant to its appointment as Receiver. The Receiver is proposing that the discharge Order become effective on the day that the Receiver files with the Court a certificate in which the Receiver certifies that it has distributed all funds in its possession, prepared a final statement of receipts and disbursements, a copy of which is to be attached to the Receiver's certificate, and has completed its administration of the receivership.

SUMMARY AND RECOMMENDATIONS

49. For the reasons outlined above, the Receiver respectfully recommends that this Court grant the Receiver's request for an Order providing for, amongst other things:

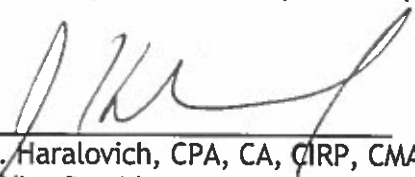
- (a) If necessary, abridging the time for and validation of service of the Notice of Motion and Motion Record herein;
- (b) Approving the Receiver's Final Report, and the activities and conduct of the Receiver and of its legal counsel since its appointment, all as recited in the Final Report;
- (c) Approving the payment of the fees and disbursements of the Receiver and Receiver's counsel;
- (d) Approving the Receiver's Final Statement;
- (e) Approving the Receiver distributing the remaining estate receivership funds to BDC; and
- (f) Discharging and releasing MNP from the powers, duties and obligations attendant to its appointment as Receiver, effective upon the filing of the Receiver's Discharge Certificate indicating that the Receiver has completed its administration.

This Final Report is respectfully submitted to the Honourable Court as of this 6th day of October 2020.

MNP LTD.,

In Its capacity as Court-Appointed Receiver of
9449167 Canada Inc.

and not in its personal or corporate capacity
Per:



John P. Haralovich, CPA, CA, CIRP, CMA
Senior Vice President

1

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) FRIDAY, THE 29TH DAY
MR. JUSTICE ROBERT N. BEAUDOIN) OF MARCH, 2019.

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

- and -

9449167 CANADA INC.

Respondent

ORDER

THIS APPLICATION made by the Applicant for an Order 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 (in such capacities, the "Receiver") without security, of the assets, undertakings and properties of the Respondent (hereinafter the "Debtor") was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

ON READING the Notice of Application, the Affidavit of Marlène Rodrigue, sworn on March 1, 2019 and the Exhibits thereto, the Factum and Authorities of the Applicant, on hearing the submissions of counsel for the parties, no one appearing on behalf of any other creditors on the Service List although duly served as appears from the Affidavits of Service of Roxanne Chapman sworn on March 19 and 20, 2019, and on reading the consent of MNP Ltd., dated March 5, 2019, to act as the Receiver in respect of the assets of the Respondent referred to herein,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application 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 CIA, MNP Ltd. is hereby appointed Receiver, without security, of the Debtor's assets, undertakings and properties, including the real property municipally known as 1230 Brookdale Avenue, Cornwall, Ontario, including all interests therein and proceeds thereof (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 \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$500,000.00; 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 are 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' 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, 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 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 normal 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 \$100,000.00 (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 "A" 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.

SERVICE AND NOTICE

25. 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.

26. 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

27. 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.


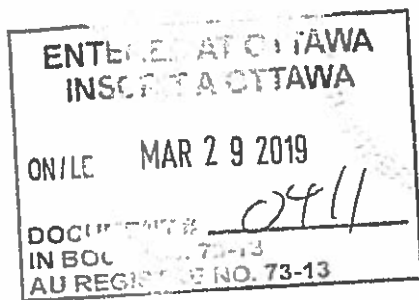
28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. 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.

30. 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.

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

32. 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.



THE HONOURABLE MR. JUSTICE ROBERT BEAUDOIN



BUSINESS DEVELOPMENT BANK OF CANADA
Applicant

- and -

9449167 CANADA INC.
Respondent

Court File No.: CV-19-00079639-0000

ONTARIO SUPERIOR COURT OF JUSTICE

Proceedings commenced at Ottawa

ORDER

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2

3. Approving the Sales Transaction and the Sales Agreement (as these terms are described and defined in the First Report) and the execution of the Sales Agreement by the Receiver;
4. Vesting in the Purchaser (as defined in the First Report) the Debtor's right, title and interest in the assets described in the Sales Agreement (the "Purchased Assets") and vesting title in the Purchased Assets to the Purchaser free and clear of any claims, liens and encumbrances;
5. Sealing confidential appendices "A", "B" and "C" to the First Report (the "Confidential Appendices");
6. Approving the Receiver's interim statements of receipts and disbursements (the "Interim SRD"); and
7. In the event the Transaction closes and the Receiver receives the sale proceeds from the Purchaser (the "Sale Proceeds"), authorizing and directing the Receiver to make an interim distribution from the Sale Proceeds to Business Development Bank of Canada ("BDC") in the amount of \$750,000.00 on account of BDC's first-ranking mortgage security in respect of the Real Property (as defined in the First Report);
8. Upon closing of the Sales Transaction, an Order approving the payment to The Corporation of the City of Cornwall (the "City of Cornwall") of all outstanding municipal tax arrears and outstanding water and sewer fees and other municipal fees and levies in respect of the Real Property (collectively the "Tax Arrears") on account of the City of Cornwall's statutory priority claim in respect of the Tax Arrears pursuant to ss. 1(2.1) and (3) and 349 of the *Municipal Act, 2001*, S.O. c. 25;

was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario.

ON READING the Notice of Motion and the First Report, and the Factum and Authorities filed by the Receiver, and on hearing the submissions of counsel for the Receiver, no one else

appearing or attending although duly served as evidenced by the Affidavit of Service of Roxann Chapman, sworn on April 23, 2020, filed,

1. **THIS COURT ORDERS AND DECLARES** that service of this motion has been validly effected such that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Receiver's First Report is hereby approved and that the activities and conduct of the Receiver and that of its legal counsel as set forth in the First Report are hereby ratified and approved.
3. **THIS COURT ORDERS AND DECLARES** that the Confidential Appendices shall be kept sealed and confidential and shall not form part of the public record until the Sales Transaction closes or pending further Order of this Court.
4. **THIS COURT ORDERS AND DECLARES** that the Receiver's Interim SRD is hereby approved.
5. **THIS COURT AUTHORIZES AND DIRECTS** that, In the event the Sales Transaction closes and the Receiver receives the Sale Proceeds from the Purchaser, the Receiver shall make an interim distribution from the Sale Proceeds to BDC in the amount of \$750,000.00 on account of BDC's first-ranking mortgage security in respect of the Real Property.
6. **THIS COURT AUTHORIZES AND DIRECTS** that, In the event the Sales Transaction closes and the Receiver receives the Sale Proceeds from the Purchaser, the Receiver shall pay all outstanding Tax Arrears to the City of Cornwall from the Sale Proceeds as of the date of the said closing.



THE HONOURABLE MADAM JUSTICE SALLY GOMERY

BUSINESS DEVELOPMENT BANK OF CANADA
Applicant

- and -

9449167 CANADA INC.

Respondent

Court File No. CV-19-00079639-0000

ONTARIO SUPERIOR COURT OF JUSTICE

**IN THE MATTER OF THE COURT-APPOINTED
RECEIVERSHIP OF 9449167 CANADA INC.**
of the City of Cornwall, in the Province of Ontario

Proceeding Commenced at Ottawa

ANCILLARY ORDER

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Box 379

IN THE MATTER OF THE COURT-APPOINTED RECEIVERSHIP OF
9449167 CANADA INC.

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

- and -

9449167 CANADA INC.

Respondent

HEARD: May 4, 2020

Appearing for receiver MNP Ltd.: André Ducasse

ENDORSEMENT ON MOTION BY RECEIVER TO APPROVE FIRST REPORT AND
FOR OTHER ANCILLARY RELIEF

S. GOMERY J.

[1] On March 19, 2019, my colleague Beaudoin J. granted Business Development Bank of Canada's application for the appointment of MNP Ltd. ("MNP") as receiver of the assets, undertakings and properties of 9449167 Canada Inc. (the "Debtor"). The Debtor's main asset is a Shell gas station located at 1230 Brookdale Avenue, in Cornwall, Ontario (the "Real Property").

[2] MNP moves today for approval of its first report to the court dated April 16, 2020, an approval and vesting order with respect to the proposed sale of the Real Property, approval of MNP's interim statements of receipts and disbursements, and other ancillary relief.

[3] The motion has been validly served on all necessary parties, including the Debtor and its counsel, provincial, federal and municipal tax authorities, BDC, Shell Canada Ltd., and 2323225 Ontario Inc., which holds second-ranking charge/mortgage.

[4] Counsel for the second-ranking mortgagee did not appear on the motion and has not responded either to the motion to appoint a receiver or this motion. No other interested party has responded although the Debtor's principals attended at the hearing today.

[5] Where a judge is asked to approve a transaction in a receivership context, further to the Court of Appeal's decision in *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727, 4 OR (3d) 1, they must consider:

- i. whether the party made a sufficient effort to obtain the best price and to not act improvidently;
- ii. the interests of all parties;
- iii. the efficacy and integrity of the process by which the party obtained offers; and
- iv. whether the working out of the process was unfair.

[6] I have reviewed the receiver's first report and attachments, including the confidential appendices, and the receiver's factum. I have also heard submissions from MNP's counsel.

[7] On December 14, 2018, BDC obtained an appraisal from McLean, Simon & Associates (Ottawa) ("McLean"). MNP concluded that no other appraisal was required since the appraisal was obtained only three months of its appointment, and McLean is a reputable and licensed commercial real estate appraiser.

[8] MNP obtained proposals to list the Real Property from two commercial real estate brokers in Cornwall. On April 19, 2019, it hired Remax Cornwall Realty Inc. to list the Real Property. It was originally listed at \$1,350,000 and marketed on a variety of platforms. A not insignificant number of potential purchasers obtained information about the property and signed non disclosure agreements. In June 2019, MNP accepted one of two offers received, but the sale fell through two months later when the purchaser had concerns about the environmental conditions on site and refused to waive conditions.

[9] The listing price was reduced to \$1,100,000 in October 2019. A further offer was received that month but was rejected as too low.

[10] On November 20, 2019, the offer to purchase which is the subject of the current motion was received. After obtaining confirmation from BDC that it supported the offer, MNP accepted it on November 27, 2019, subject to the purchaser's waiver of conditions and the Court's approval. On February 21, 2020, the purchaser waived conditions.

[11] MNP recommends and seeks approval of the proposed sale on the grounds that:

- the Real Property was exposed to the marketplace for seven months by a professional, reputable and licensed real estate broker, and it does not appear that further marketing will result in a better offer;
- The sales agreement is unconditional, the purchase price is consistent with the appraised value of the Real Property, and it is higher than any other offer received since June 4, 2019;
- There is currently one other party prepared to purchase the property for an amount equal to the current offer, however it is a conditional offer;
- The sales process was fair and took into consideration of the various stakeholders' interests, and the sale would represent a favourable outcome for the estate of the Debtor.

[12] The proposed price is below the appraised value in McLean's December 2018 report. McLean's appraisal states that the market value of the Real Property would have to be discounted significantly if its exposure on the market were limited to three months. If, however, the Property was listed for a longer period of time, McLean set the value of the property at a higher amount. The price provisionally accepted by MNP is in fact less than this appraised value.

[13] Despite this, I am satisfied that MNP made a sufficient effort to obtain the best price and is not recommending an improvident sale. There are environmental considerations that have emerged that may have affected the Real Property's marketability. The current Covid-19 pandemic has very likely had an impact, at least in the near term, on the market value that could be obtained for the Real Property if the current sale is not approved. MNP's Senior Vice President John Haralovich describes a marketing process which resulted in a satisfactory level of interest from

potential purchasers. There is no indication that the process lacked integrity or was unfair, or that the proposed sale works against the interest of any party.

[14] Based on the evidence provided, I conclude that the considerations in *RBC v. Soundair* support the proposed sale. I therefore accept MNP's recommendation and approve the proposed sale and vesting order.

[15] If and when the sale closes, I furthermore approve (1) the distribution of \$750,000 to BDC, the first-ranking mortgage holder, and (2) the payment to the Corporation of the City of Cornwall of tax arrears which, as of February 4, 2020, totaled \$102,771.68, including property taxes (\$101,784.50) and water and sewer charges (\$987.18). MNP has obtained an independent legal opinion that BDC holds valid and enforceable security over the Real Property which creates a first-ranking charge. The City of Cornwall has a priority claim with respect to arrears of municipal taxes, levies and fees, pursuant to ss. 1(2.1) and (3) and 349 of the *Municipal Act*, 2001, S.O. c. 25. According to the sworn affidavit of the receiver, MNP is not aware of any other claim that would rank in priority to BDC's secured claim and the City of Cornwall's statutory priority claim. The proposed interim distribution to BDC will reduce the ongoing indebtedness to it and is in the interest of all parties. The payment to City is required in order to close the sale of the Real Property.

[16] MNP's interim statement of receipts and disbursements is approved, showing an excess of about \$17,000.

[17] Orders shall go in the form and on the terms proposed by MNP.

[18] Based on the authorities submitted and the review of the receiver's report, I am also ordering that the Confidential Appendices be sealed pending the completion of the sale of the Real Property, as permitted in s.137(2) of the *Courts of Justice Act*. The Confidential Appendices contain commercially sensitive information that could adversely impact the market for the sale of the Real Property in the event that the sale does not close, and no party would be prejudiced by a temporary sealing order. In such circumstances, a sealing order is appropriate: *B&M Handelman Investments Limited v. Mass Properties Inc.*, 2009 CanLII 37930 (ON SC), at para. 26; *Re Maxtech Manufacturing Inc.*, 2010 CarswellOnt 1072, 2010 ONSC 1161, at paras. 29-30.

[19] In light of the current restriction on court services as a result of the Covid-19 pandemic, the orders issued will be enforceable and effective on signature and electronic submission to the parties, without the need, at present, for any further formality. The original copy of these orders shall be placed on the court record. When normal court operations resume, counsel for the receiver undertakes to and shall file a paper copy of the complete motion record and pay any required filing fees.


Justice Sally Gomery

3

Court File No. CV-19-0079639-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

THE BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

and

9449167 CANADA INC.

Respondents

**FIRST REPORT OF MNP LTD., IN ITS
CAPACITY AS COURT APPOINTED RECEIVER OF
9449167 CANADA INC.**

APRIL 16, 2020

Contents

INTRODUCTION AND BACKGROUND	4
PURPOSE OF THIS REPORT	6
NOTICE TO READER	6
INITIAL RECEIVERSHIP ACTIVITIES	7
THE REAL PROPERTY, THE APPRAISAL AND THE LISTING	7
MARKETING OF REAL PROPERTY AND RESULTS	9
THE SALES AGREEMENT AND TRANSACTION	10
ONGOING OPERATIONS	10
PRIORITY AND SECURED CLAIMS	11
FUNDS AVAILABLE FOR DISTRIBUTION	12
PROFESSIONAL FEES	13
COMPLETION OF THE RECEIVERSHIP	13
SUMMARY AND RECOMMENDATIONS	13

APPENDICES

- 1 Receivership Order dated May 29, 2019
- 2 Notice of Statement of Receiver
- 3 Listing proposal Remax Cornwall Realty Inc.
- 4 Listing proposal from Right at Home Realty
- 5 Signed listing agreement with Remax Cornwall Realty Inc.
- 6 Redacted Remax Cornwall Realty Inc. sale and marketing result
- 7 Redacted purchase and sale agreement
- 8 Receivers Certificate 1
- 9 PPSA search results dated March 2, 2020
- 10 City of Cornwall - Tax certificate
- 11 Parcel register Real Property
- 12 Restrictive Covenant - Shell Canada Limited
- 13 Soloway Wright LLP letter dated March 4, 2020
- 14 Shell Canada Limited letter dated March 25, 2020
- 15 Paul O. D'Angelo of BD Law Offices legal opinion
- 16 BDC statement of account
- 17 Statement of Receipts and Disbursements

Confidential Appendices

- A December 14, 2018 McLean, Simon & Associates (Ottawa) Appraisal
- B Unredacted Sales and Marketing summary
- C Unredacted Purchase and Sale Agreement

INTRODUCTION AND BACKGROUND

1. 9449167 Canada Inc (“944 Inc.” or the “Company”) is a federally incorporated company with its registered office address located at 1604-205 Wynford Drive, Toronto, Ontario.
2. 944 Inc. is managed and controlled by Mr. Rohit Behl (the “Director”). The Company operated a Shell Gas Station located at 1230 Brookdale Avenue, Cornwall, Ontario (the “Real Property”).
3. On or about April 14, 2016, the Company became indebted to the Business Development Bank of Canada (“BDC” or the “Lender”), its senior secured creditor, with respect to certain credit facilities granted by the Lender pursuant to and under the terms of various credit and security agreements contained as Exhibits C, D, and E to the Receivership Application Record (the “Application Record”) dated March 18, 2019 (the “Security”).
4. As reported in the Application Record, the Company’s obligations to the Lender pursuant to the above loans and the Security (the “Indebtedness”) totaled \$1,070,058.31 as at February 11, 2019 (excluding interest and fees accrued since).
5. The Security provides for the appointment of a receiver in the event of default by the Company under the Security.
6. On October 25, 2016, BDC agreed to a loan amendment that required the Company to make interest only payments for the period November of 2016 to April 2017. A copy of the loan amendment is contained at Exhibit J of the Application Record.
7. On June 5, 2018, the Company requested a further four-month extension to the above loan amendment to September 2018 in order to allow it to market the Real Property for sale. A copy of this standstill agreement between the Company and BDC is contained at Exhibit K of the Application Record.
8. By September 28, 2018, \$999,902.00 of the authorized principal in the amount of \$1,010,000 was drawn by the Company. Contained at Exhibit I of the Application Record is a demand letter issued by BDC detailing the amounts then owed by the Company to BDC.
9. The last full monthly loan made by the Company to BDC on account of its indebtedness was in December 2017. A partial payment in the amount of \$6,000.00 was made to BDC

in August 2018. Since that date no further payments have been made by the Company on account of the Indebtedness.

10. The Company further failed to provide BDC with any financial reporting and proof of insurance coverage for storage tank pollution liability as required by the BDC loan agreement and Security.
11. The Company also in arrears in municipal taxes remittances in the amount of \$65,447.87, as at February 8, 2019. Contained at Exhibit H of the Application Record is the tax certificate confirming these arrears.
12. The Company also failed to enter into a retailer supply agreement with Shell Canada Limited as required by the loan and Security. Without this agreement the Company's ability to sell petroleum products was restricted.
13. On September 28, 2018, BDC delivered to the Company a Notice of Intention to Enforce Security in accordance with s. 244 of the *Bankruptcy and Insolvency Act* ("BIA"), which statutory notice is contained at Exhibit I of the Application Record.
14. On October 27, 2018, representatives for BDC attended at the Real Property to discover the operations had ceased and that utility services had been discontinued.
15. In December 2018, BDC retained a property manager to take protective measures to preserve the Real Property.
16. In December 2018, the Director approached BDC and advise that the Company would provide BDC with a payment of \$80,000.00 and resume operations by no later than January 10, 2019, which proposal BDC accepted.
17. On January 28, 2019, the Director advised BDC that the Company was not able to resume operations and raise the required funds he confirmed would be paid to BDC.
18. On March 18, 2019, BDC brought an application for the appointment of MNP Ltd. ("MNP") as the receiver of the Company for the protection of the interests of BDC and other stakeholders.
19. By Order of this Honourable Court dated March 29, 2019 (the "Receivership Order"), MNP was appointed receiver (the "Receiver"), without security, of all of the assets,

undertakings and properties of Company used in relation to its business, including all proceeds thereof (the “Property”, which is taken to include the Real Property). A copy of the Receivership Order is attached at Appendix “1”.

PURPOSE OF THIS REPORT

20. The purpose of this first report of the Receiver to the Court (the “First Report”) is to:
- (a) report on the activities of the Receiver since its appointment pursuant to the Receivership Order;
 - (b) seek the Court’s approval of the activities and conduct of the Receiver and that of its legal counsel as described in the First Report;
 - (c) seek the Court’s approval of the Sales Agreement (as defined below) and of the Sales Transaction (as defined below) and the conveyance of the Real Property to the purchaser thereof and vesting title to the Real Property in the purchaser;
 - (d) seek the Court’s approval to seal certain confidential appendices to the First Report;
 - (e) seek the Court’s approval of the Receiver’s Interim Statement of Receipts and Disbursements (“SRD”);
 - (f) seek the Court’s approval in respect of an interim distribution to BDC in the amount of \$750,000.00 on account of its first-ranking mortgage and secured claim; and
 - (g) to seek the Court’s approval in respect of paying to the City of Cornwall all outstanding municipal tax arrears and outstanding water and sewer fees (collectively, the “Tax Arrears” in respect of the Real Property, which Tax Arrears, as detailed below, total \$102,771.68 as of February 4, 2020.
21. All amounts referred to in the First Report are in Canadian dollars unless otherwise noted.

NOTICE TO READER

22. This First Report is prepared solely for the use of the Court, for the purpose of assisting the Court in making a determination of whether to approve the relief being sought.

23. In preparing this First Report, the Receiver has relied upon information from third party sources (collectively, the “Information”). Certain of the information contained herein may refer to, or be based on, the Information. As the Information has been provided by other parties or obtained from documents filed with the Honourable Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy and completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook.

INITIAL RECEIVERSHIP ACTIVITIES

24. Immediately following the granting of the Receivership Order on March 29, 2019 (the “Receivership Date”), the Receiver attended at the Real Property to take possession of and secure the Property. The initial activities of the Receiver included:

- (a) notifying the property manager of MNP’s appointment as Receiver;
- (b) attending at the Real Property with the property manager to inspect the site and take photos;
- (c) confirming that the fuel pumps were locked and the pumping system was disabled;
- (d) confirming the amount of fuel contained in the fuel tanks;
- (e) obtaining insurance for the Real Property;
- (f) providing copy of the Receivership Order to the Company’s Director;
- (g) requesting relevant information of books and records of the Company;
- (h) responding to creditor inquiries; and
- (i) preparing and issuing the prescribed notices and statement of the Receiver pursuant to ss. 245(1) and 246(1) of the BIA, which was sent to the Company’s creditors. A copy of this notice is attached at Appendix “2”.

THE REAL PROPERTY, THE APPRAISAL AND THE LISTING

25. On April 14, 2016, the Company purchased the Real Property for \$1,475,000.00.

26. On November 15, 2015, the Company obtained a Phase II Environmental Site Assessment report issued by exp Services Inc. A copy of this report is contained at Exhibit B of the Application Record.
27. On December 14, 2018, BDC obtained a real estate appraisal from McLean, Simon & Associates (Ottawa) (the "McLean Appraisal"). A copy of the McLean Appraisal is attached as Confidential Appendix "A".
28. The Receiver concluded that no other appraisals were required since the McLean Appraisal was within months of the Receiver's appointment. Further, the Receiver concluded that it could rely on the McLean Appraisal since it was completed by reputable and licensed commercial real estate appraiser.
29. The Receiver requested a listing proposal from Remax Cornwall Realty Inc. ("Remax") to market and sell the Real Property.
30. On April 8, 2019, Remax provided the Receiver with a listing proposal with a recommended listing price for the Real Property of \$1,200,00.00. A copy of the listing proposal is contained at Appendix "3".
31. On April 17, 2019, the Receiver also received a listing proposal from Shamsher (Sam) Kahlon of Right at Home Realty Inc. which recommended a listing price of \$1,150,000.00. A copy of the listing proposal is attached at Appendix "4".
32. The aggregate principal amount of the registered mortgages against title of the Real Property total \$1,260,000.00.
33. The Receiver consulted with representatives of BDC who expressed their preference to a listing price in excess of the aggregate principal amount of the mortgages registered against title to the Real Property. BDC provided their support for the Receiver to enter into a listing agreement with Remax having a listing price of \$1,350,000.00.
34. As a result, and given the favourable terms contained in the Remax listing agreement and that Remax is a reputable, competent and licensed commercial real estate broker, on April 19, 2019, the Receiver selected Remax to list and market the Real Property. A copy of the listing agreement is attached at Appendix "5". The Real property was originally listed for sale at \$1,350,000.00.

MARKETING OF REAL PROPERTY AND RESULTS

35. The marketing process and the results of the marketing process are detailed in Confidential Appendix "B" and a redacted copy is attached at Appendix "6".
36. Highlights of Remax's marketing process in respect of the sale of the Real Property are as follows:
- a) Remax went to market and asked all interested parties to submit offers to purchase by June 4, 2019;
 - b) 30 parties made inquiries, 11 signed the non-disclosure agreement ("NDA") and there were 10 formal inspections of the Real Property;
 - c) there were 29,000 video views and 30,000 parties interacting on social media web sites in the respect of the Real Property;
 - d) at the time of the initial offering expiring on June 4, 2019, two (2) offers were received and two other parties provided signed NDA's but did not submit offers to purchase;
 - e) on June 14, 2019, the Receiver accepted the Hardon Management Group offer ("Hardon"), which was one of the original bidders;
 - f) on August 13, 2019, the Hardon offer was terminated as they were not prepared to waive their conditions;
 - g) in early October 2019, the listing price was reduced to \$1,100,000.00 given the results of the initial offers and given that no other offers were presented;
 - h) on October 21, 2019, an offer was received however it was significantly below the listing price and BDC was not prepared to accept or counter the offer;
 - i) on November 20, 2019, the purchasing party submitted an offer to purchase the Real Property that BDC confirmed it supported. The offer had a conditional period which expired on February 21, 2020; and
 - j) the purchasing party waived all conditions on February 21, 2020;

37. The Receiver was in discussion with represents of Crevier Petroleum Inc. who signed an NDA and considered the opportunity to purchasing the Real Property and branding it as "Crevier". Upon completion of their examination, they elected not to submit an offer to purchase.

THE SALES AGREEMENT AND TRANSACTION

38. On November 20, 2019, the Receiver accepted the final offer to purchase (the "Sales Agreement"), copies of which are attached as Confidential Appendix "C" and Appendix "7" (in which the purchaser's identity and the purchase price were redacted). The Sales Agreement provides for a 10% (ten percent) deposit and that it is binding, and that the closing (the "Sales Transaction") is subject to approval of the Court.

39. The Receiver recommends that the Sales Agreement and the Sales Transaction be approved by this Honourable Court for the following reasons:

- a) the Real Property was exposed widely to the marketplace for approximately seven months in a manner that is common for properties of this nature and was listed for sale with a professional and licensed commercial real estate broker that is well known in the market;
- b) the Sales Agreement is now unconditional except of the Courts approval, and the purchase price is in line with the appraised value of the Real Property;
- c) the purchase price is greater than the other offers received by the Receiver since June 4, 2019;
- d) the Receiver does not believe that further marketing of the Real Property will result in a superior offer;
- e) there is currently one other party prepared to purchase the property for an amount equal to the current offer, however it is a conditional offer; and
- f) the Sales Transaction that is the subject of the Sales Agreement is provident and a favourable outcome for the estate and followed a thorough, impartial and fair sales process that fully tested the market.

ONGOING OPERATIONS

40. The Receiver did not operate the fuel station.

41. The Receiver did obtain an initial advance from BDC and accordingly issued a Receiver's Certificate in the amount of \$20,000.00. A copy of the Receivers Certificate 1 is attached at Appendix "8".

PRIORITY AND SECURED CLAIMS

Priority Claims

42. The Receiver is not aware of any claims that would rank in priority to the secured creditors.

Secured Claims

43. The PPSA search results dated March 17, 2020 report that the only registered secured creditor is BDC. A copy of the PPSA search results is contained at Appendix "9".
44. As of February 4, 2020, the Tax Arrears in the amount of \$102,771.68 is comprised of property taxes in the amount of \$101,784.50 plus water and sewer charges in the amount of \$987.18. A copy of the property tax certificate and statement of water and sewer fees are contained at Appendix "10".
45. The parcel register for the Real Property confirms that BDC registered a first-ranking charge on title of the Real Property on April 14, 2016. A copy of the parcel register for the Real Property dated February 28, 2020 is attached at Appendix "11". The parcel register also confirms a subsequent registration on title to the Real Property (subordinate to BDC's mortgage security) in favour of 2323225 Ontario Inc. in the amount of \$250,000.00.
46. The parcel register for the Real Property confirms that Shell Canada Limited ("Shell") registered a Restrictive Covenant (the "Restriction") on title to the Real Property expires on August 30, 2021. The Restriction limits the sale of petroleum products and operation of a convenience food store at the Real Property. A copy of the Restriction and registered instrument with respect to the Restriction is attached in Appendix "12".
47. On March 4, 2020, Andre Ducasse of Soloway Wright LLP wrote to Shell advising it of the Receiver selling the Real Property and requested that it consent to removal of the Restriction. A copy of this request is attached at Appendix "13".

48. On March 25, 2020, Gordon Mccue, Assistant Secretary for Shell signed the consent to remove the Restriction from title of the Real Property. A copy of the signed consent is contained at Appendix "14".
49. The Receiver retained Paul O. D'Angelo of BD Law Offices to provide the Receiver with a legal opinion regarding the validity and enforceability of the security held by BDC, a copy of which is attached at Appendix "15".
50. Based on this legal opinion, it appears that BDC's security is valid and enforceable as against the Real Property and creates a first ranking charge. BDC's mortgage is a first-ranking mortgage in the principal amount of \$1,050,00.00, which encumbers title to the Real Property.
51. BDC provided the Receiver with an updated statement of account in respect of the Company's Indebtedness to BDC as of April 8, 2020. As of this date, the outstanding balance owing to BDC was \$1,240,712.13 plus ongoing interest, and legal costs. The BDC statement of account is attached at Appendix "16".
52. In light of the foregoing, and in the event the Court approves the Sales Agreement and the Sales Transaction and that the said transaction closes, the Receiver will be seeking the authorization of the Court to make an interim distribution to BDC in the amount of \$750,000.00 to be applied against the Indebtedness.

FUNDS AVAILABLE FOR DISTRIBUTION

53. A copy of the SRD is attached at Appendix "17". It confirms that receipts exceed disbursements by \$17,077.00 to the date of this First Report.
54. Considering the foregoing, the Receiver recommends making an interim distribution to BDC in the amount of \$750,000.00 and for the Receiver to hold the remaining amounts until a further report to the Court is filed with respect to further distributions.
55. In the event the Sales Transaction closes and the proposed distribution is paid to BDC, it will result in a significant reduction to the Indebtedness.

PROFESSIONAL FEES

56. Pursuant to paragraph 16 of the Receivership Order, the fees and disbursements of the Receiver and its legal counsel 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.
57. Pursuant to paragraph 18 of the Appointment Order, the Receiver is entitled to apply reasonable amounts out of the monies in its hands to satisfy its professional fees and disbursements and those of its counsel, and such amounts are to constitute advances against its remuneration and disbursements when and as approved by the Court.
58. The approval of fees and disbursements of the Receiver and that of its legal counsel will be sought in a further report to the Court.

COMPLETION OF THE RECEIVERSHIP

59. The Receiver will attempt to close the Sales Transaction and report back to Court upon its completion. In the event the Sales Transaction does not close, the Receiver will resume the sales process in respect of the Real Property.

SUMMARY AND RECOMMENDATIONS

60. For the reasons outlined above, the Receiver respectfully recommends that this Court grant the Receiver's request for an Order, amongst other things:
 - (a) If necessary, abridging the time for and validation of service of the Notice of Motion and Motion Record herein;
 - (b) Approving the Receiver's First Report, and the activities and conduct of the Receiver and of its legal counsel since its appointment, all as recited in the First Report;
 - (c) Approving the Sales Agreement and Sales Transaction, and the conveyance of the Real Property to the purchase and vesting title of the Real Property in the purchaser;
 - (d) Approving the sealing of the confidential appendices to the First Report pending the closing of the Sales Transaction or further Order of this Court;

- (e) Approving the Receiver's Interim Statement of Receipts and Disbursements;
- (f) Approving a interim distribution to BDC in the amount of \$750,000.00; and
- (g) Upon closing of the Sales Transaction, approving the payment to the City of Cornwall for all Tax Arrears in respect of the Real Property.

This First Report is respectfully submitted to the Honourable Court as of this 16th day of April 2020.

MNP LTD.,

In Its capacity as Court-Appointed Receiver of
9449167 Canada Inc.

and not in its personal or corporate capacity

Per:



John P. Haralovich, CPA, CA, CIRP, CMA
Senior Vice President

4

District of: Ontario
Division No. 12 - Ottawa
Court No. CV-19-0009639-0000
Estate No.

- FORM 87 -
Notice of Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)

In the matter of the receivership of
9449167 Canada Inc.
of the City of Cornwall
in the Province of Ontario

The receiver gives notice and declares that:

1. On the 29th day of March 2019, we, MNP LTD., became the receiver in respect of the property of 9449167 Canada Inc., that is described below:

Real Property or Immovable	Building and Land - Cornwall - 1230 Brookdale Avenue	840000.00
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2. We became a receiver by having taken possession or control of the property described above (or by virtue of being appointed by Business Development Bank of Canada), pursuant to first ranking mortgage in the principal amount of \$1,010,000.00 registered on April 14, 2016, a General Security Agreement dated April 4, 2016, and personal guarantees from the directors for 25% of the outstanding loan balance.

3. The undersigned took possession or control of the property described above on the 2nd day of April 2019.

4. The following information relates to the receivership:

(a) Address: 1230 Brookdale Avenue, Cornwall, ON, K6J 4P8

(b) Principal line of business: Gas Station

(c) Location(s) of business:

1230 Brookdale Avenue, Cornwall, ON, K6J 4P8

(d) Amount owed to each creditor who holds a security on the property described above:

The Corporation of the City of Cornwall	\$65448.00
Business Development Bank of Canada - Ottawa West	\$1070058.00
2323225 Ontario Inc.	\$250000.00

(e) The list of other creditors and the amount owed to each creditor and the total amount due is as follows:

Cornwall Electric	Unsecured	\$1.00
Union Gas	Unsecured	\$1.00
CRA - Tax - Ontario	Unsecured	\$1.00
CAFO	Unsecured	\$308.00
Ministry of Finance - Collections Branch, Non Tax Revenue Collections Unit	Unsecured	\$1.00
Akhlaq Khokhar	Unsecured	\$1130.00

(f) The intended plan of action of the receiver during the receivership, to the extent that such a plan has been determined, is as follows: the Receiver will list the property for sale and the net costs of realization will be paid to the secured creditors as will be approved by the Court.

(g) Contact person for receiver:

John Haralovich, Tel: (613) 691-4270, Fax: (613) 726-9009.

Dated at the City of Ottawa in the Province of Ontario, this 5th day of April 2019.

MNP LTD. Licensed Insolvency Trustee

1600 Carling Avenue, Suite 800
Ottawa ON K1Z 1G3
Phone: (613) 691-4270 Fax: (613) 726-9009

5



September 29, 2020

9449167 Canada Inc.
1230 Brookdale Ave,
Cornwall, ON K6J 4P8

Attention: Mr. Rohit Behl

Dear Mr. Behl:

**Subject: Confirmation of Prepayment Amounts –Loan number 096939-01
9449167 Canada Inc. (the “debtor”)**

As requested, Business Development Bank of Canada (“BDC”) has calculated the prepayment figures for the above mentioned loan, as at September 30, 2020, to be¹:

	Loan 01
Principal	\$504,280.19
Interest up to and including September 29, 2020	\$430.57
Total	\$ 504,710.76
Current Per Diem (subject to change)	\$86.11
Current Interest rate – floating base + 1.70 %	<u>6.25%</u>

Since this loan is on a floating interest rate, please contact this office one day prior to the date of payout and request the exact amount of accrued interest required to retire the loan. The amounts will be confirmed to you by email. Funds and Per Diem Interest calculated up to and including the date prior to the payout must be received by BDC no later than 12:00 p.m. on the payout date. If the Funds and Per Diem Interest are not received by 12:00 p.m. of the fifth business day from the date of the letter, this payout letter is no longer valid and may not be relied upon. If you are not able to deliver the payout prior to 12:00 p.m. of the fifth business day, please contact this office one day prior to the new date of payout to reconfirm the exact amount of accrued interest, and the new Per Diem Interest required to retire the loan.

Any subsequently produced prepayment figures will render the contents herein null and void.

Provided the payment is honoured including the Per Diem Interest, BDC hereby undertakes to execute and return discharges of all security taken with respect to the above loan, upon request. Please forward any draft discharges, where applicable, to this office for execution.

The executed discharges will be delivered to you in due course.

¹ The above calculations are based on the assumption that all regularly scheduled payments due prior to the payout date are paid in full. It is your responsibility to ensure that this is the case.



Any release and/or discharge granted by BDC is made on the basis that all source deductions, GST/HST/QST obligations and all other amounts, claims and demands owed by any party to the loan to the Canada Revenue Agency, Revenu Quebec or any other governmental agency that could give rise to a deemed trust claim by such agency in priority to any claim or security held by BDC in relation to the loan (collectively, "Deemed Trust Claims") have been paid in full. To the extent that BDC suffers a loss or is required to pay any amounts to any governmental agency in respect of any Deemed Trust Claims as a result of the failure of any loan party to meet its obligations to such governmental agency, then BDC shall be entitled to claim the full amount of any loss or payment required to be made by it in respect of any Deemed Trust Claim from the loan parties, or any of them, and the discharges shall not operate as a release of the loan parties to such extent.

Yours truly,

Marlène Rodrigue

Marlène Rodrigue
Senior Account Manager, Special Accounts
T (613) 592-4118
E Marlene.RODRIGUE@bdc.ca

Heather Squires

Heather Squires
Analyst, Special Accounts

6

**MNP LTD., RECEIVER RE:
9449167 CANADA INC.**

**INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD MAY 29, 2019 TO SEPTEMBER 30, 2020**

Receipts:

Sale of property	\$ 1,050,000
Interest	206
	<u>1,050,206</u>

Disbursements:

Filing fee	70
License fee	311
Utilities	382
Insurance	1,350
Repairs and maintenance	-
Legal fees	23,812
Real estate commissions	47,460
Receiver fees and expenses	29,600
HST of receivers fees	3,848
Property taxes	118,687
Payment to secured creditor	750,000
	<u>975,520</u>

Excess of Receipts over Disbursements **\$ 74,686**

7

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE COURT-APPOINTED RECEIVERSHIP
of 9449167 CANADA INC.
of the City of Cornwall, Province of Ontario**

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

- and -

9449167 CANADA INC.

Respondent

**AFFIDAVIT OF JOHN HARALOVICH
(sworn on October 6, 2020)**

I, John Haralovich, of the City of Ottawa, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Senior Vice President of MNP LTD. ("MNP"), the Licensed Insolvency Trustee ("LIT" or "Receiver") of 9449167 Canada Inc. (the "Company"). As such, I have knowledge of the matters to which I hereinafter depose except where such knowledge is stated to be based on information and belief, in which case I confirm the source of my information and belief verily believe such information to be true.
2. MNP was appointed as Receiver of the property of the Company by way of Court Order dated March 29, 2019.
3. Attached hereto as Exhibit "A" are the detailed ledgers of the Receiver for the period ending October 6th, 2020 in the amount of \$34,107.00 plus HST of \$4,433.91, totalling \$38,540.91.

4. The following table further summarizes the LIT involved and other staff used by MNP as noted in Exhibit "A" by work completed by each MNP professional, group classification with MNP, the hours worked by each professional, along with the amounts and the effective hourly rates charged for each professional:

Professional	Position	Hours Invoiced	Amount Invoiced (excluding HST)	Effective Hourly Rate
John Haralovich	LIT, Partner	84.7	\$32,937.00	\$388.87
Insolvency Staff	Estate Technicians	<u>8.1</u>	<u>\$ 1,170.00</u>	<u>\$144.44</u>
Total		92.8	\$32,937.00	\$354.92

5. The work completed in this matter which is described in Exhibit "A" and the First Report and Final Report of the Receiver includes the following:

- Attending the location;
- Taking possession and control meeting with property manager;
- Review reporting from property manager;
- Determine the amount of fuel left in the storage tanks;
- Meet with owners of the Company and advised them of them of the receivership process;
- Obtain property insurance;
- Forward the prescribed notice to all known creditors;
- Consult with real estate agents to submit proposals to market property;
- Review listing proposal with first secured lender and provide recommendations for listing;
- Review various offers to purchase, discussions with real estate agent on counter offers back to interested parties;
- Consult with real estate agent after initial purchaser did not waive conditions;
- Review offers from interested parties after the property was placed back on the market;
- Work with Ministry of Environment regarding plans for fuel left in storage tanks;
- Work towards closing of the sales transaction; and


- Corresponding with representatives for Canada Revenue Agency regarding HST.

6. As a result of the above efforts, MNP was able to achieve a gross realization of \$1,050,000.00 as noted in Appendix 6 of the Final Report of the Receiver. The net realization in this matter, resulted is significant return to the secured creditor, namely the Business Development Bank of Canada.

7. The above rates charged by MNP throughout the course of these proceedings are standard and comparable to the rates charged by other LIT firms in the Ottawa market for the provision of similar services.

8. This affidavit is sworn in support of a motion to, inter alia, approve the attached account of MNP and the fees and disbursement detailed therein, and for no improper purpose.

SWORN BEFORE me at the City of Ottawa in)
 the Province of Ontario)
 this 6th day of October, 2020)
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 A Commissioner for Taking Affidavits, etc.



 JOHN HARALOVICH

Sandra Elizabeth Dilio
 A Comissioner, etc.,
 Province of Ontario, For MNP Ltd.
 Expires July 29, 2022

**This is Exhibit "A" referred to in the Affidavit of John Haralovich
sworn October 6th, 2020**



Commissioner for Taking Affidavits (or as may be)

**Sandra Elizabeth Dilio
A Comissioner, etc.,
Province of Ontario, For MNP Ltd.
Expires July 29, 2022**

In the matter of the Receivership of 9449167 Canada Inc.

Summary of Receivers fees and disbursements

Date	Description	Units	Amount	Notes
02-Apr-2019	Cory Locey	2.30	\$ 288.00	Taking photos of shell gas station and putting up signs, transferring photos from phone to server
02-Apr-2019	Paul Desnoyers	.50	202.50	Coordinate staff member to visit site, take photos, retrieve key
04-Apr-2019	Jessica Grisé	.50	82.50	update creditors
17-Jul-2019	Jessie Hue	.80	173.60	Create website and postings.
16-Sep-2019	Heather Ursaki	.10	13.90	Uploaded French translation to corp. engagements site
13-Apr-2020	James De Salis	.20	21.00	pay Legal fees
17-Apr-2020	James De Salis	.30	31.50	Paying invoices
26-Jun-2020	James De Salis	.50	52.50	Wire payments
06-Jul-2020	James De Salis	.60	63.00	Direct Deposit, setting up payments, logging transactions conducted by third parties, trustee fees
07-Jul-2020	James De Salis	.20	21.00	Paying invoices
07-Jul-2020	James De Salis	.20	21.00	Paying invoices
08-Jul-2020	James De Salis	.90	94.50	Clearing up issues with wire transfer, confusion over amounts/times
09-Jul-2020	James De Salis	.40	42.00	Entry to balance accounts, repaying loan
04-Aug-2020	James De Salis	.20	21.00	Payment of Inspector's Fees
12-Aug-2020	James De Salis	.20	21.00	Utility bill
04-Sep-2020	James De Salis	.20	21.00	Updating transactions
Total Estate Technicians		8.10	1,170.00	
29-Mar-2019	John Haralovich	3.50	1,347.50	start of engagement
01-Apr-2019	John Haralovich	3.10	1,193.50	start of file, send emails to Cornwall staff to take possession, email partners, call with BDC, send director notice of receiver
04-Apr-2019	John Haralovich	2.60	1,001.00	work on file
05-Apr-2019	John Haralovich	2.80	1,078.00	notice of receiver
10-Apr-2019	John Haralovich	1.50	577.50	work on file
18-Apr-2019	John Haralovich	1.00	385.00	prepare listing agreement
24-Apr-2019	John Haralovich	2.40	924.00	work on listing, review title issue, call with BDC
03-May-2019	John Haralovich	1.30	500.50	work on bill of sale
06-May-2019	John Haralovich	1.00	385.00	work on nda
04-Jun-2019	John Haralovich	3.30	1,287.00	review offers to purchase and prepare summary for lenders review
06-Jun-2019	John Haralovich	3.40	1,326.00	review offer, update offer, send amendments, call agent regarding deposit
06-Jun-2019	John Haralovich	1.10	429.00	call with agent, call with owner, call with CRA
07-Jun-2019	John Haralovich	.60	234.00	call with agent
11-Jun-2019	John Haralovich	2.30	897.00	call with BDC, amend offer, call with agent, call with buyer
14-Jun-2019	John Haralovich	1.40	546.00	call with BDC, print and send off offer to complete deal
13-Aug-2019	John Haralovich	.80	312.00	sign mutual release, call with bdc and agent
04-Sep-2019	John Haralovich	1.20	468.00	review of offer, forward to BDC
05-Sep-2019	John Haralovich	.80	312.00	call with Marlene regarding offer
19-Dec-2019	John Haralovich	1.80	702.00	review drilling agreement, email agent
23-Dec-2019	John Haralovich	1.10	429.00	call with agent regarding testing to happen on site
31-Dec-2019	John Haralovich	1.20	468.00	review amendment offer to extend closing and forward to BDC and Soloway
08-Jan-2020	John Haralovich	1.20	468.00	review changes to APA and send signed copy back to agent, advise BDC
09-Jan-2020	John Haralovich	1.30	507.00	review indemnity regarding line testing

In the matter of the Receivership of 9449167 Canada Inc.

Summary of Receivers fees and disbursements

Date	Description	Units	Amount	Notes
16-Jan-2020	John Haralovich	1.20	468.00	work on sale of property, transfer of site fuel license
22-Jan-2020	John Haralovich	1.50	585.00	attend site for inspection
18-Feb-2020	John Haralovich	1.20	468.00	call with buyer, review waiver, end email to secured creditor, call with secured creditor
19-Feb-2020	John Haralovich	.80	312.00	review material from purchaser
03-Apr-2020	John Haralovich	.50	195.00	call with agent regarding closing
06-Apr-2020	John Haralovich	4.00	1,560.00	work on report
07-Apr-2020	John Haralovich	4.00	1,560.00	work on report
08-Apr-2020	John Haralovich	6.20	2,418.00	complete first draft of report
09-Apr-2020	John Haralovich	2.00	780.00	send report to lawyer
15-Apr-2020	John Haralovich	.70	273.00	work on file
16-Apr-2020	John Haralovich	1.50	585.00	make final changes to report to the court and send to lawyer
16-Apr-2020	John Haralovich	.50	195.00	work on insurance renewal
20-Apr-2020	John Haralovich	.90	351.00	review documents, change report, email lawyers with approval
21-Apr-2020	John Haralovich	1.20	468.00	call with BDC, send emails to BDC, confirm property taxes due
27-Apr-2020	John Haralovich	1.20	468.00	review request to extend closing, review sales documents
01-May-2020	John Haralovich	.50	195.00	respond to CRA inquiry
04-May-2020	John Haralovich	2.30	897.00	prepare for court and attend video court session, call with Andre regarding extension
05-May-2020	John Haralovich	.40	156.00	update agent on sale and request invoice for commissions
26-Jun-2020	John Haralovich	.50	195.00	review emails from lawyer regarding closing of transaction
29-Jun-2020	John Haralovich	.70	273.00	respond to BDC inquiries
30-Jul-2020	John Haralovich	.70	273.00	call with owner to update on sale of property
12-Aug-2020	John Haralovich	.50	195.00	deal with hydro bill
04-Sep-2020	John Haralovich	.80	312.00	send report to BDC
04-Sep-2020	John Haralovich	1.80	702.00	start the second report to the court
09-Sep-2020	John Haralovich	2.50	975.00	work on second report to the court
10-Sep-2020	John Haralovich	1.00	390.00	make changes to second report
21-Sep-2020	John Haralovich	1.90	741.00	changes to report, review information from lawyer
06-Oct-20	John Haralovich	3.00	1,170.00	Finalize report, update regarding BDC payout letter, send docs to lawyer
Total LIT, Partner		84.70	32,937.00	
Total		92.80	\$ 34,107.00	

8

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE COURT-APPOINTED RECEIVERSHIP
OF 9449167 CANADA INC.
of the City of Cornwall, in the Province of Ontario**

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

- and -

9449167 CANADA INC.

Respondent

**AFFIDAVIT OF ROXANNE CHAPMAN
(sworn on September 21, 2020)**

I, Roxanne Chapman, of the City of Ottawa, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a law clerk with the law firm of Soloway Wright LLP ("SW"), the lawyers for the Court-Appointed Receiver, MNP Ltd. (the "Receiver"), and have assisted with the carriage of this matter. As such, I have knowledge of the matters to which I hereinafter depose except where such knowledge is stated to be based on information and belief, in which case I confirm the source of my information and belief and verily believe such information to be true.
2. For convenience, defined terms herein not otherwise defined are as defined in the Receiver's second and final report to the Court (the "Final Report").
3. Attached hereto as Exhibit "A" are true copies of the invoices issued by SW for fees and disbursements incurred during the course of the within proceeding to the period ending September 21, 2020. The attached invoices are summarized as follows:

Invoice Date	Fees	Disbursements	HST	Total
May 12, 2020	\$11,000.00	\$428.51	\$1,485.71	\$12,914.22
July 28, 2020	\$3,379.50	\$313.16	\$470.17	\$4,162.83
September 21, 2020	\$4,461.00	\$0.00	\$579.93	\$5,040.93
TOTAL	\$18,840.50	\$741.67	\$2,535.81	\$22,117.98

4. I have been advised by André Ducasse, the lawyer with carriage of this matter on behalf of the Receiver, and verily believe that the work carried out by SW personnel on behalf of the Receiver can be briefly summarized as follows:

- o Preparing material regarding approval motion and motion for distribution order, including drafting and revising Receiver's First Report to the Court, Notice of Motion, Factum and Authorities, reviewing confidential appendices and preparing brief of confidential appendices, fee affidavits and Court Orders, reviewing authorities regarding same, and preparing for and attending the said motion.
- o Ongoing correspondence and communications with the Receiver regarding advice with respect to receivership proceedings and various issues regarding same.
- o Advising the Receiver and dealing with the sale of the Real Property, including tax arrears, title issues, searches regarding sale, dealing with encumbrances, requisitions and response thereto, and dealing with purchaser's counsel in respect of the foregoing.
- o Correspondence and communications with creditors, including Applicant, City of Cornwall and counsel for Canada Revenue Agency regarding status of and issues regarding receivership proceedings, including communications regarding distribution motion and payment of priority claims.

- o Dealing with all aspect of the closing of the Sales Transaction, including preparing and exchanging closing documents, undertakings regarding closing, statement of adjustments, and various dealings and communications with purchaser's counsel regarding same. Also dealing with post-closing issues, including discharging security and secured registrations pursuant to Approval and Vesting Order.
- o Preparing material regarding final distribution and discharge motion, including drafting and revising Receiver's Final Report to the Court, Notice of Motion, Factum and Authorities, fee affidavits, and Court Orders regarding same, reviewing authorities regarding same, and preparing for and attending said motion.

5. The following table further summarizes the invoices attached as Exhibit "A" by work completed by each SW professional, his or her position with SW, the hours worked by each professional, along with the amounts and the effective hourly rates charged for each professional:

Professional	Position	Hours Invoiced	Amount Invoiced (excluding HST)	Effective Hourly Rate
André Ducasse	Partner	34	\$13,972.50	\$410.96
Sybil Johnson-Abbott	Partner	7.1	\$2,698.00	\$380
Sandra LeBrun	Associate Lawyer	6.8	\$1,600.00	\$235.30
Caleb Timmermann	Associate Lawyer	2.8	\$560.00	\$200.00
Ryan Darroch	Law Clerk	<u>0.1</u>	<u>\$10.00</u>	\$100.00
Total		50.8	\$18,840.50	

6. I have further been advised by André Ducasse, and verily believe that, to the best of his knowledge the above rates charged by SW throughout the course of these proceedings are standard and comparable to the rates charged by other law firms in the Ottawa market for the provision of similar services.

7. I make this Affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver's counsel.

SWORN BEFORE me at the City of Ottawa in)
the Province of Ontario)
this 21st day of September, 2020)



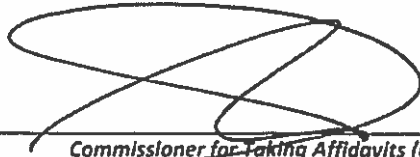
A Commissioner for Taking Affidavits, etc.)

ANDRE DUCHASSE
LSO # 44739R



ROXANNE CHAPMAN

This is Exhibit "A" referred to in the Affidavit of Roxanne Chapman sworn September 21, 2020

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Commissioner for Taking Affidavits (or as may be)



Soloway Wright LLP
700 - 427 Laurier Avenue West
Ottawa ON K1R 7Y2

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F: 613.238.8507
www.solowaywright.com

John Haralovich
MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, ON K1Z 1G3

May 12, 2020
Our File # 52064-01007
Invoice # 315391
GST/HST Reg. #121761480

INTERIM ACCOUNT SUMMARY

RE: RECEIVERSHIP OF 9449167 CANADA INC.

Our Fee Herein		\$ 11,577.50
Less Courtesy Discount		- \$ 577.50
Net Fee Herein		\$ 11,000.00
Total Disbursements		\$ 428.51
HST on Fees - 13.00%	\$ 1,430.00	
HST on Disbursements - 13.00%	\$ 55.71	
		<u>\$ 1,485.71</u>
Total Account		<u>\$ 12,914.22</u>

André Ducasse
(0092)

E. & O.E.

TERMS: PAYMENT UPON RECEIPT. IN ACCORDANCE WITH SECTION 33 OF THE SOLICITORS ACT, INTEREST WILL BE CHARGED AT THE RATE OF 1.3% PER ANNUM ON UNPAID FEES, CHARGES OR DISBURSEMENTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS STATEMENT IS DELIVERED.



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May 12, 2020
Our File # 52064-01007
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INTERIM ACCOUNT

TO OUR FEE for professional services rendered and disbursements incurred with respect to the following matter and more particularly described as follows:

RE: RECEIVERSHIP OF 9449167 CANADA INC.

FEES

Date	Att'y	Description of Services Rendered	Hours
4/14/20	AD	Reviewing various emails from J. Haralovich re: draft first report to the Court and various appendices thereto, including confidential appendices; reviewing said appendices and making notes re: same; drafting and revising receiver's first report to the Court; instructions to clerk re: same.	2.90
4/15/20	AD	Emails from and to J. Haralovich re: receiver's first Court report and appendices thereto; drafting and revising receiver's first Court report; correspondence to J. Haralovich re: same.	1.80
4/17/20	AD	Reviewing and revising brief of appendices and confidential appendices; instructions to clerk re: same; drafting and revising notice of motion and service list and instructions to clerk re: same; drafting and revising ancillary order.	1.80
4/20/20	AD	Various emails to and from clerk re: various property and execution searches; reviewing search results and making notes re: same; emails to and from J. Haralovich re: tax certificate registered on title; reviewing said certificate; revising receiver's court report accordingly; email to and from J. Haralovich re: revised court report; drafting and revising notice of motion, approval and vesting order and ancillary order; instructions to clerk re: same and motion record; instructions to associate re: factum and authorities to be file on motion; correspondence to Court re: requirement for urgent appearance re: approval motion.	3.80
4/20/20	SL	Draft factum for motion for approval and vesting order.	6.00

Invoice #: 315391
 RECEIVERSHIP OF 9449167 CANADA INC,

May 12, 2020

Date	Atty	Description of Services Rendered	Hours
4/21/20	AD	Drafting and revising factum and reviewing authorities re: same; instructions to S. Lebrun re: factum and authorities; various correspondence to and from Court re: Court attendance and scheduling of motion; drafting and finalizing motion material; instructions to clerk re: filing and service of same.	2.20
4/21/20	SL	Email correspondence with A. Ducasse and revisions to factum.	.60
4/21/20	SL	Review email correspondence between A. Ducasse and T. Johanson regarding motion hearing.	.10
4/21/20	SL	Email correspondence with A. Ducasse and R. Chapman regarding Motion Record.	.10
4/22/20	SJ	Telephone attendance with A. Ducasse regarding court date for vesting order and timing for closing; instructions to law clerk regarding same; e-mail to purchaser's counsel regarding vesting order and timing of cloing.	.40
4/22/20	AD	Drafting and finalizing motion material including factum and authorities, approval and vesting order and ancillary order; instructions to clerk re: finalizing and serving and filing material; reviewing briefed motion materia; reviewing confidential appendices; instructions to clerk re: brief of confidential appendices; reviewing and revising correspondence to parties re: service of material; consultation with S. Johnson-Abbott re: approval and vesting order and issues re: transaction and approval by purchaser's counsel; reviewing email to purchaser's counsel re: same.	1.80
4/22/20	AD	Correspondence from M. Rodrigue re: status of proceedings against guarantors; reviewing file re: same; emails to and from R. Chapman re: same; email to and from and call with M. Rodrigue re: same and proposed course of action re: potential shortfall claim following receivership proceedings.	.30
4/24/20	AD	Correspondence form counsel for purchaser re: extending closing; correspondence to J. Haralovich re: same.	.20
4/27/20	AD	Correspondence to and from J. Haralovich re: purchaser's extension request and issues re: same; correspondence to and from purchaser's counsel re: same.	.20
4/28/20	AD	Telephone attendance with counsel for CRA re: approval motion and issues re: same; telephone attendance with J. Haralovich re: same and CRA claims; correspondence from and to counsel for CRA re: motion material.	.40
4/29/20	AD	Memo from and to clerk re: motion confirmation form and reviewing same; instructions to clerk re: filing same; reviewing motion material, including receiver's report and factum and authorities re: preparing for motion.	2.30
4/30/20	AD	Correspondence from Court re: video conference; instructions to clerk re: same; reviewing correspondence to service list re: same; following up with J. Haralovich re: same.	.20

Invoice #: 315391
 RECEIVERSHIP OF 9449167 CANADA INC,

May 12, 2020

Date	Asky	Description of Services Rendered	Hours
5/01/20	AD	Telemessages from and to City of Cornwall re: tax certificate and payment of taxes; reviewing motion material and preparing for approval motion; memo to clerk re: updating property and execution searches and reviewing search results; telemesssage and email from counsel for CRA re: HST accounts and issues re: same; emails to and from J. Haralovich re: same and proposed response to counsel for CRA; drafting and revising response to counsel for CRA; various further emails from J. Haralovich and counsel for CRA re: HST account, closing thereof and position on motion; further email from counsel for CRA re: claim and remitting HST on sale and issues re: same; correspondence to and from J. Haralovich and S. Johnson-Abbott re: same; call with J. Haralovich re: same and HST election; correspondence to counsel for CRA re: same.	2.20
5/01/20	RD	Email from R. Chapman re searches; writ search, property search.	.10
5/04/20	SJ	E-mail from A. Ducasse regarding vesting order.	.10
5/04/20	AD	Preparing for and attending approval motion; correspondence from and to Court re: endorsement and order; correspondence to service list re: same; memo to and from S. Johnson-Abbott re: approval and vesting order and transaction and closing; correspondence from purchaser's counsel re: proposed closing; correspondence to and from and call with J. Haralovich re: same and receiver's instructions.	2.20
5/05/20	AD	Telephone attendance with M. Rodrigue of BDC re: issues re: sale and next steps re: same and purchaser's request to extend closing.	.20
Total Hours:			29.90
Our Fee Herein:			\$ 11,000.00

DISBURSEMENTS

Description of Costs Incurred	Amount
Photocopies and Printing	256.60
Courier Charges	64.31
Teraview Search Fee	64.10
Teraview Executions/Sheriff Certificate	23.90
Teraview Search	19.60
Total Disbursements:	\$ 428.51

Invoice #: 315391
RECEIVERSHIP OF 9449167 CANADA INC,

May 12, 2020

HST on Fees - 13.00%	\$ 1,430.00
HST on Disbursements - 13.00%	<u>\$ 55.71</u>

Total Taxes **\$ 1,485.71**

Total Account **\$ 12,914.22**

THIS IS OUR ACCOUNT



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May 12, 2020
Our File # 52064-01007
Invoice # 315391
GST/HST Reg. #121761480

REMITTANCE ADVICE

For professional services rendered and disbursements incurred.

Total Fees	\$ 11,000.00
Total Costs	\$ 428.51
Total Taxes	<u>\$ 1,485.71</u>
Total Account	<u>\$ 12,914.22</u>

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John Haralovich
MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, ON K1Z 1G3

July 28, 2020
Our File # 52064-01007
Invoice # 317675
GST/HST Reg. #121761480

INTERIM ACCOUNT SUMMARY

RE: RECEIVERSHIP OF 9449167 CANADA INC,

Our Fee Herein		\$ 3,379.50
Total Disbursements		\$ 313.16
HST on Fees - 13.00%	\$ 439.34	
HST on Disbursements - 13.00%	<u>\$ 30.83</u>	
Total Taxes		<u>\$ 470.17</u>
Total Account		\$ 4,162.83
Less Transfer from Trust		- \$ 4,162.83
Total Amount Due		<u>\$ 0.00</u>



André Ducasse
(0092)

E. & O.E.

TERMS: PAYMENT UPON RECEIPT. IN ACCORDANCE WITH SECTION 33 OF THE SOLICITORS ACT,
INTEREST WILL BE CHARGED AT THE RATE OF 1.3% PER ANNUM ON UNPAID FEES, CHARGES OR
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July 28, 2020
Our File # 52064-01007
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INTERIM ACCOUNT

TO OUR FEE for professional services rendered and disbursements incurred with respect to the following matter and more particularly described as follows:

RE: RECEIVERSHIP OF 9449167 CANADA INC,

FEES

Date	Atty	Description of Services Rendered	Hours
5/06/20	AD	Correspondence from M. Rodrigue re: BDC's position re: request by purchaser to extend closing; correspondence to J. Haralovich and S. Johnson-Abbott re: same; correspondence to purchaser's counsel re: same; correspondence from realtor re: commission statement and reviewing same; correspondence to S. Johnson-Abbott and J. Haralovich re: same.	.30
6/09/20	SJ	E-mail from purchaser's counsel regarding statement of adjustments; review file and instructions to law clerk regarding same.	.30
6/11/20	SJ	Review draft statement of adjustments; e-mail to J. Haralovich regarding same; instructions to law clerk.	.30
6/11/20	AD	Emails from S. Johnson-Abbott and J. Haralovich re: closing issues and adjustments.	.10
6/16/20	SJ	Review closing documents; instructions to law clerk regarding same.	1.00
6/18/20	SJ	Review revised closing documents and instructions to law clerk regarding same.	.40
6/19/20	AD	Correspondence from City of Cornwall re: tax certificate and reviewing same; correspondence to S. Johnson-Abbott and J. Haralovich re: same.	.10
6/22/20	SJ	Receipt of updated water certificate; instructions to law clerk regarding revised statement of adjustments; e-mail to and from purchaser's counsel regarding attempt to change the title.	.40
6/23/20	SJ	E-mail with J. Haralovich regarding execution of documents; instructions to law clerk regarding same.	.30

Invoice #: 317675
 RECEIVERSHIP OF 9449167 CANADA INC,

July 28, 2020

Date	Atty	Description of Services Rendered	Hours
6/23/20	AD	Correspondence from purchaser's counsel and S. Johnson-Abbott re: closing issues and title to transfer and issues re: approval and vesting order; reviewing file re: same and approval and vesting order.	.20
6/25/20	SJ	Dealing with pre-closing matters for closing; instructions to law clerk regarding same.	.30
6/26/20	SJ	Instructions to law clerk regarding sale of property; review and revise estimate of monies and e-mail to J. Haralovich regarding same; dealing with pre-closing matters.	1.00
6/26/20	AD	Emails from and to S. Johnson-Abbott and J. Haralovich re: closing items and allocation of funds re: same.	.20
6/30/20	SJ	Review letter and package to purchaser's counsel; instructions to law clerk regarding closing matters; attending to closing matters.	1.30
6/30/20	AD	Correspondence from and to S. Johnson-Abbott re: closing of sale and funds re: same; correspondence to appointing-creditor re: same.	.10
7/02/20	AD	Telephone attendance with BDC account manager re: issues re: sale and discharge of BDC security.	.20
7/05/20	SJ	Review and revise reporting letter.	.80
7/09/20	SJ	Final review of entire reporting letter and all documents; instructions to law clerk regarding discharge of PPSA registrations in favour of BDC.	.50
7/09/20	AD	Consultation with S. Johnson-Abbott re: issues re: sale and finalizing same and report to client; consultation with J. Haralovich re: same.	.30
7/23/20	AD	Reviewing file re: status of ongoing receivership proceedings and outstanding matters re: same; consultation with S. Johnson-Abbott re: status of closing of sale; following up with J. Haralovich re: forgoing.	.50
7/27/20	AD	Correspondence from purchaser's counsel and S. Johnson-Abbott re: issues re: transaction, approval and vesting order and deletions from title.	.10

Total Hours: 8.70

Our Fee Herein: \$ 3,379.50

DISBURSEMENTS

Description of Costs Advanced	Amount
Outgoing Fax Charges	.50
Tax Certificate	45.00
Teraview Search Fee	3.25
Teraview Executions/Sheriff Certificate	11.95
Real Estate Transaction Levy	65.00

Invoice #: 317675
RECEIVERSHIP OF 9449167 CANADA INC,

July 28, 2020

Description of Costs Advanced		Amount
Postage		18.53
Cert. Cheques/Bank Drafts (non taxable)		76.00
Courier Charges		48.73
Cyberbahn Fee		44.20
Total Disbursements:		\$ 313.16
HST on Fees - 13.00%	\$ 439.34	
HST on Disbursements - 13.00%	<u>\$ 30.83</u>	
Total Taxes		\$ 470.17
Total Account		\$ 4,162.83
Less Transfer from Trust		- \$ 4,162.83
Total Amount Due		\$ 0.00

THIS IS OUR ACCOUNT

John Haralovich
MNP Ltd.
1600 Carling Avenue, Suite 800
Ottawa, ON K1Z 1G3

July 28, 2020
Our File # 52064-01007
Invoice # 317675
GST/HST Reg. #121761480

REMITTANCE ADVICE

For professional services rendered and disbursements incurred.

Total Fees	\$ 3,379.50
Total Costs	\$ 313.16
Total Taxes	<u>\$ 470.17</u>
Total Account	\$ 4,162.83
Less Transfer from Trust	- \$ 4,162.83
Total Amount Due	<u>\$ 0.00</u>

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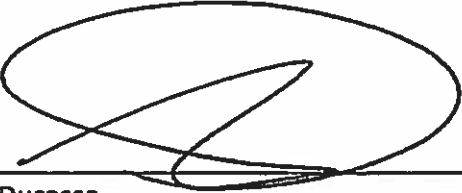
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September 21, 2020
Our File # 52064-01007
Invoice # 319166
GST/HST Reg. #121761480

INTERIM ACCOUNT SUMMARY

RE: RECEIVERSHIP OF 9449167 CANADA INC.

Our Fee Herein	\$ 4,461.00
Total Disbursements	\$.00
HST on Fees - 13.00%	\$ 579.93
Total Taxes	<u>\$ 579.93</u>
Total Account	<u>\$ 5,040.93</u>



André Ducasse
(0092)

E. & O.E.

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September 21, 2020
Our File # 52064-01007
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INTERIM ACCOUNT

TO OUR FEE for professional services rendered and disbursements incurred with respect to the following matter and more particularly described as follows:

RE: RECEIVERSHIP OF 9449167 CANADA INC.

FEES

Date	Affy	Description of Services Rendered	Hours
9/01/20	AD	Call with J. Haralovich re: recent developments and court attendance re: distribution order.	.10
9/08/20	AD	Email from and call with J. Haralovich re: status of receivership proceedings, next steps re: same and court attendance re: distribution order and discharge.	.20
9/09/20	AD	Correspondence from and to J. Haralovich re: receiver's report to the Court; reviewing file, including pleadings and previous motions records re: receiver's report to the Court; drafting and revising Receiver's report to the Court.	1.40
9/10/20	AD	Drafting and revising receiver's report to the Court; correspondence to J. Haralovich re: same; reviewing file re: fee affidavit; drafting and revising fee affidavit; drafting and revising notice of motion; instructions to associate re: factum and authorities; drafting and revising order.	3.80
9/10/20	CT	E-mails from and to A. Ducasse re: Motion for Approval of Receiver's Final Report; draft Factum re: same.	2.80
9/11/20	AD	Drafting and revising motion material, including receiver's report, fee affidavit, notice of motion, order and factum.	2.20
9/18/20	AD	Drafting and revising receiver's report, notice of motion, order, factum and fee affidavit; correspondence to J. Haralovich re: receiver's report and fee affidavit.	1.20

Invoice #: 319166
 RECEIVERSHIP OF 9449167 CANADA INC,

September 21, 2020

Date	Atty	Description of Services Rendered	Hours
9/21/20	AD	Drafting and revising Court order and fee affidavit; instructions to clerk re: same; correspondence to J. Haralovich re: same and further revisions to receiver's court report.	.50

Total Hours: 12.20

Our Fee Herein: \$ 4,461.00

HST on Fees - 13.00% \$ 579.93

Total Taxes \$ 579.93

Total Account \$ 5,040.93

THIS IS OUR ACCOUNT



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September 21, 2020
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REMITTANCE ADVICE

For professional services rendered and disbursements incurred.

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Total Account	<u>\$ 5,040.93</u>

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BUSINESS DEVELOPMENT BANK OF CANADA
Applicant

- and -

9449167 CANADA INC.

Respondent

Court File No. CV-19-00079639-0000

ONTARIO SUPERIOR COURT OF JUSTICE

**IN THE MATTER OF THE COURT-APPOINTED
RECEIVERSHIP OF 9449167 CANADA INC.**
of the City of Cornwall, in the Province of Ontario

Proceeding Commenced at Ottawa

AFFIDAVIT OF ROXANNE CHAPMAN
(sworn on September 21, 2020)

SOLOWAY WRIGHT LLP

Lawyers
700-427 Laurier Avenue West
Ottawa ON K1R 7Y2

André A. Ducasse - LSUC No.: 044739R
(613) 236-0111 telephone
(613) 238-8507 facsimile

Lawyers for the Court-Appointed Receiver, MNP Ltd.

Box 379