

COURT FILE NUMBER 2203 12557

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

APPLICANT ROYAL BANK OF CANADA

RESPONDENTS FAISSAL MOUHAMAD PROFESSIONAL CORPORATION, MCIVOR DEVELOPMENTS LTD., 985842 ALBERTA LTD., 52 DENTAL CORPORATION, DELTA DENTAL CORP., 52 WELLNESS CENTRE INC., PARADISE MCIVOR DEVELOPMENTS LTD., MICHAEL DAVE MANAGEMENT LTD., FAISSAL MOUHAMAD and FETOUN AHMAD also known as FETOUN AHMED

DOCUMENT **APPLICATION (APPROVAL OF SALES PROCESS, CONTEMPT, SEALING, APPROVAL OF FEES AND ACTIVITIES)**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT McMillan LLP  
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1700, 421 – 7<sup>th</sup> Avenue SW  
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**Attention: Adam Maerov/Kourtney Rylands/  
Preet Saini**  
Telephone: (403) 531-4700  
Fax: (403) 531.4720  
File Number: 293571

**NOTICE TO THE RESPONDENTS**

This application is made against you. You are a respondent.  
You have the right to state your side of this matter before the Court.  
To do so, you must be in Court when the application is heard as shown below:

Date: Friday, November 4, 2022  
Time: 2:00 pm  
Where: Edmonton Law Courts, via WebEx  
Before: The Honourable Justice Neilson

Go to the end of this document to see what you can do and when you must do it.

**Remedy claimed or sought:**

1. MNP Ltd., in its capacity as receiver and manager (“**Receiver**”) of Faissal Mouhamad Professional Corporation (“**FMPC**”), Delta Dental Corp. (“**DDC**”) and 52 Dental Corporation (“**52 Dental**”), 52 Wellness Centre Inc. (“**52 Wellness**”) and Michael Dave Management Ltd. (“**MDML**”) and 985842

Alberta Ltd. (“**985**”) (collectively, the “**Debtors**”) seeks two Orders substantially in the form attached hereto as Schedule “A” and Schedule “B”:

- (a) abridging the time for service of this application (the “**Application**”), if necessary, and declaring that this Application is properly returnable and that further service of this Application is hereby dispensed with;
- (b) approving the proposed sale and listing agreements and the sale processes described therein (collectively, the “**Proposed Listing Agreements**”) described in the Second Report of the Receiver dated October 28, 2022 (“**Second Report**”);
- (c) authorizing the Receiver to apply to this Court to amend, vary, or seek advice and directions with respect to the Proposed Listing Agreements;
- (d) declaring that Faissal Mouhamad and Fetoun Ahmad also known as Fetoun Ahmed are in contempt of court for their failures to comply with the Order of the Honourable Justice Mah granted September 29, 2022 (the “**September 29 Order**”) and the receivership order of Justice Mah dated September 16, 2022 (the “**Receivership Order**”) and granting relief related thereto;
- (e) approving the reported actions, activities, and fees of the MNP Ltd. in its capacity as interim receiver and Receiver, and those of its legal counsel McMillan LLP;
- (f) temporarily sealing the First Confidential Report of the Receiver dated October 28, 2022 (the “**First Confidential Report**”); and
- (g) such further and other relief as counsel may request and this Honourable Court may deem appropriate.

### **Grounds for Making this Application:**

#### **A. Overview**

2. MNP Ltd. previously acted as interim receiver of Faissal Mouhamad Professional Corporation, 52 Dental Corporation, and Delta Dental Corp pursuant to an interim receivership order granted on August 23, 2022 by the Honourable Justice Hiller (in such capacity, the “**Interim Receiver**”).
3. On September 16, 2022, MNP Ltd. was appointed as Receiver over all of the current and future assets, undertakings, and properties of Faissal Mouhamad Professional Corporation, 52 Dental Corporation,

Delta Dental Corp., Michael Dave Management Ltd. and 52 Wellness Centre Inc. (collectively, and together with 985842 Alberta Ltd., the “**Debtors**”) pursuant to the Receivership Order.

4. On September 29, 2022, MNP Ltd. was appointed as Receiver over all of the current and future assets, undertakings, and properties of 985842 Alberta Ltd. (the “**985 Receivership Order**”).
5. The Debtors’ businesses can be summarized as follows:

<b>Corporate entity</b>	<b>Directors/ Shareholders</b>	<b>Description of Operations</b>
Faissal Mouhamad Professional Corporation o/a Delta Dental	F. Mouhamad is the sole director and shareholder	Operates a dental clinic under the name “Delta Dental” (“ <b>Delta Dental</b> ”).
Delta Dental Corp.	F. Ahmed is the sole director and shareholder	Has no independent operations; previously managed Delta Dental on behalf of FMPC; however, no corresponding agreement was in place.
52 Dental Corporation	F. Ahmed is the sole director and shareholder	Operates a dental clinic under the name “52 Dental” (“ <b>52 Dental</b> ”).
52 Wellness Centre Inc.	F. Mouhamad is the sole director and shareholder	Owns a building located at 3505 52nd Street SE, Calgary, Alberta (the “ <b>52 Building</b> ”). The 52 Building houses 52 Dental and five other commercial tenants.
Michael Dave Management Ltd.	F. Mouhamad is the sole director and shareholder	Owns a building located at 7151 50th Avenue in Red Deer, Alberta (the “ <b>Delta Building</b> ”) that houses Delta Dental.
985842 Alberta Ltd.	F. Mouhamad is the sole director and shareholder	Owns a commercial unit located in a building at 108, 5205 Power Center Boulevard in Drayton Valley, Alberta the (“ <b>DV Unit</b> ”).

(collectively, the properties described above are referred to as the “**Properties**”)

**B. Proposed Listing Terms and Sales Process Order**

6. Pursuant to section 3(1) (m) of the Receivership Order and the 985 Receivership Order, the Receiver is authorized to, among other things, market any or all of the Properties and sell the Properties or any parts thereof with the approval of this Court.
7. The Receiver seeks Court approval to enter into the Proposed Listing Agreements to market the Properties.
8. The Proposed Listing Agreements consist of the HS Agreements, the CBRE Agreement and the NAI Agreements (each term as defined in the Second Report), and are designed to obtain the highest or otherwise best value for the Properties in the circumstances.
9. The proposed brokerages are established and have the requisite experience to market for sale the Properties.
10. The HS Agreements, the CBRE Agreement and the NAI Agreements require the Receiver to return to this Honourable Court to obtain an order approving a sale and the vesting or any of the Properties to a successful bidder.

**C. Contempt**

11. Faissal Mouhamad (“**F. Mouhamad**”) and Fetoun Ahmad also known as Fetoun Ahmed (“**F. Ahmed**”) (together, the “**Individual Defendants**”) have each failed to comply with terms of the Receivership Order and the September 29 Order.
12. Paragraph 7 of the September 29 Order directed F. Mouhamad to provide the Receiver with a sworn affidavit that included a list of all records or property that either he, F. Ahmed or someone acting on their behalf had removed from the dental offices during the period from August 1, 2022 to September 29, 2022 by no later than October 3, 2022.
13. On October 3, 2022, the Receiver received the affidavit of F. Mouhamad sworn on the same date (the “**Mouhamad Affidavit**”).
14. The Receiver advised F. Mouhamad on October 4, 2022 (“**October 4 Letter**”), that the Mouhamad Affidavit did not comply with the requirements of the September 29 Order for the following reasons and that another affidavit was required:
  - a. It did not address records or property removed by F. Ahmed or other individuals acting on behalf of F. Mouhamad; and
  - b. It did not include a list of all records or property that were removed.
15. No further affidavit was received from F. Mouhamad.
16. The Second Report further identifies conduct by F. Mouhamad and F. Ahmed that breaches the terms of the Receivership Order and September 29 Order, including that:
  - a. F. Mouhamad is believed to be soliciting patients from the dental clinics to another dental practice named South Hills Smiles Dental Care (“**South Hills**”). F. Ahmed incorporated South Hills Smiles Corporation on September 23, 2022 and is its sole director and shareholder
  - b. The Receiver also received reports that patients of Delta Dental had been directly contacted by both F. Ahmed and staff members from South Hills with requests to rebook their cleanings at South Hills.
  - c. F. Mouhamad may be in possession of mail that he redirected from Delta Dental to himself and which he has not returned to the Receiver.
  - d. A Facebook Page was created in the name of Delta Dental Clinic indicating that Delta Dental had moved to a new location and referring patients to South Hills.
17. The Receiver is seeking an Order declaring that F. Mouhamad and F. Ahmed are in contempt for failing to comply with the Receivership Order and the September 29 Order based on the concerns noted in the Second Report, and, in particular, the failure to file an Affidavit that complies with the requirements of the September 29 Order, and the establishment of the FB Page.

**D. Approval of Actions, Activities and Conduct**

18. The activities of the Receiver and its independent legal counsel are described in the Second Report.
19. The Receiver submits that its actions, activities and conduct and those of its independent legal counsel were appropriate and should be approved by this Honourable Court.

**E. Approval of Professional Fees**

20. The Receiver respectfully seeks approval from this Honourable Court of the respective professional fees and disbursements of the Receiver and its legal counsel, and those previously incurred by the Interim Receiver and its legal counsel as follows:
  - a. The Interim Receiver incurred fees and disbursements of \$70,600 plus GST for a total of \$74,100 for the period ended September 13, 2022.
  - b. McMillan LLP incurred fees and disbursements of \$12,100 plus GST for a total of \$12,700 for the period ended August 31, 2022.
  - c. The Receiver incurred fees and disbursements of \$148,100 plus GST for a total of \$156,600 for the period ended October 10, 2022.
  - d. McMillan LLP incurred fees and disbursements of \$39,500 plus GST for a total of \$41,500 for the period ended September 30, 2022.
21. The Receiver respectfully submits that its professional fees and disbursements, the professional fees and disbursements of the Interim Receiver, the fees and disbursements of the Interim Receiver's legal counsel and the fees and disbursements of the Receiver's legal counsel are fair and reasonable in the circumstances.

**F. Temporary Sealing**

22. The First Confidential Report contains commercially sensitive information including a summary of listing proposals.
23. The relief for temporary sealing is necessary and appropriate with respect to the First Confidential Report as:
  - (a) the sealing of the First Confidential Report is necessary in order to prevent a serious risk in light of the commercially sensitive information contained in the First Confidential Report;
  - (b) specifically, if the requested Sealing Order is not granted, creditor recoveries may be reduced in the anticipated marketing process;
  - (c) reasonable alternative measures will not prevent the risk; and
  - (d) the benefits of the sealing order to the process and all stakeholders outweigh the deleterious effects on the rights and interests of the public in accessing this information at this time.
24. Such further and other grounds as counsel may advise and this Honourable Court may deem just.

**Material of evidence to be relied on:**

25. First Report of the Interim Receiver dated September 9, 2022.
26. Receivership Order pronounced on September 16, 2022 by the Honourable Justice Mah.
27. Order (Advice and Direction) pronounced on September 29, 2022, by the Honourable Justice Mah.
28. Receivership Order pronounced on September 29, 2022, by the Honourable Justice Mah.
29. First Report of the Receiver dated September 29, 2022.
30. Second Report of the Receiver dated October 28, 2022.
31. First Confidential Report of the Receiver dated October 28, 2022.
32. Affidavit or other evidence to be used in support of this application.
33. Such further and other grounds as counsel may advise and this Honourable Court may deem just.

**Applicable Rules:**

34. Rules 6.9, 6.47, 10.52, 10.53, 11.27 and 13.5 of the Alberta Rules of Court; and
35. Such further material as counsel may advise and this Honourable Court may permit.

**Applicable Acts and Regulations:**

36. *Bankruptcy and Insolvency Act*, RSC 1985 c. B-3, as amended;
37. This Court's equitable and inherent jurisdiction; and
38. Such further authority as counsel may advise and this Honourable Court may permit.

**How the application is proposed to be heard or considered:**

39. Commercial Chambers before Justice Neilson by WebEx.

**WARNING**

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

**Schedule “A”**

Form of Order (Approval of Sales Process, Contempt, Sealing, Approval of Fees and Activities)

(see attached)

COURT FILE NUMBER 2203 12557  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
PLAINTIFF ROYAL BANK OF CANADA

Clerk's Stamp

DEFENDANTS FAISSAL MOUHAMAD PROFESSIONAL CORPORATION, MCIVOR DEVELOPMENTS LTD., 985842 ALBERTA LTD., 52 DENTAL CORPORATION, DELTA DENTAL CORP., 52 WELLNESS CENTRE INC., PARADISE MCIVOR DEVELOPMENTS LTD., MICHAEL DAVE MANAGEMENT LTD., FAISSAL MOUHAMAD and FETOUN AHMAD also known as FETOUN AHMED

DOCUMENT **ORDER (APPROVAL OF LISTING AGREEMENTS, APPROVAL OF FEES AND ACTIVITIES, SEALING)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
McMillan LLP  
TD Canada Trust Tower  
1700, 421 – 7<sup>th</sup> Avenue SW  
Calgary, AB T2P 4K9

**Attention: Adam Maerov/Kourtney Rylands/  
Preet Saini**  
Telephone: 403.531.4700  
Fax: 403.531.4720  
File No. 293571

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 4, 2022  
**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Justice J.T. Neilson  
**LOCATION OF HEARING:** Edmonton Courts Centre

UPON THE APPLICATION of MNP Ltd., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of Faissal Mouhamad Professional Corporation, 52 Dental Corporation, Delta Dental Corp., Michael Dave Management Ltd., 52 Wellness Centre Inc. and 985842 Alberta Ltd. (collectively, the “**Debtors**”); AND UPON reviewing the First Report of the Interim Receiver dated September 9, 2022, the First Report of the Receiver dated September 29, 2022, and the Second Report of the Receiver dated October 28, 2022 (the “**Second Report**”) and the First Confidential Report of the Receiver dated October 28, 2022 (“**First Confidential Report**”); AND UPON reviewing the receivership order granted by the Honourable Justice Mah on September 16, 2022 (the “**Receivership Order**”) and the September 29, 2022



Order of the Honourable Justice Mah appointing the Receiver in respect of 985842 Alberta Ltd.; AND UPON noting that the Receiver seeks approval of the HS Agreements, the NAI Agreements and the CBRE Agreement (each as defined in the Second Report) (together, the “**Listing Agreements**”); AND UPON noting that MNP Ltd. previously acted as interim receiver of Faissal Mouhamad Professional Corporation, 52 Dental Corporation, and Delta Dental Corp pursuant to an interim receivership order granted on August 23, 2022 by the Honourable Justice Hiller (in such capacity, the “**Interim Receiver**”); AND UPON reviewing the Affidavit of Service confirming service on the service list contained therein (“**Service List**”); AND UPON hearing counsel for the Receiver and any other interested parties present;

**IT IS HEREBY ORDERED THAT:**

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

**APPROVAL OF LISTING AGREEMENTS AND SALES PROCESSES**

2. The Listing Agreements and the listing, sales, marketing, and tendering processes described therein are hereby approved.
3. The Receiver is authorized to implement the Listing Agreements, including the engagement of the listing agents on the terms described therein. The Receiver is authorized to take all steps reasonably necessary to conduct and give full effect to the Listing Agreements and carry out the Receiver’s obligations thereunder, and to proceed, carry out, and implement any corresponding sales, marketing, or tendering processes, including any and all actions related thereto, substantially in accordance with the Listing Agreements.
4. Nothing herein shall act as authorization or approval of the transfer or vesting of any or all of the Debtors’ property, assets, or undertakings under the Listing Agreements or otherwise. Such transfer and vesting shall be dealt with and shall be subject to further Order of this Honourable Court.
5. The Receiver is hereby authorized to apply to this Court to amend, vary, or seek any advice, directions, or the approval or vesting of any transactions, in connection with the Listing Agreements.

## **APPROVAL OF PROFESSIONAL FEES AND RECEIVER'S ACTIVITIES**

6. The Receiver's actions, activities, and conduct and those of its legal counsel as set out in the Second Report are hereby ratified and approved.
7. The Interim Receiver's fees and disbursements for the period ended September 13, 2022 in the amount of \$74,100 (inclusive of applicable sales taxes) are hereby ratified and approved.
8. The fees and disbursements of McMillan LLP, as counsel to the Interim Receiver, for the period ending August 31, 2022, in the amount of \$12,700 (inclusive of applicable sales taxes) are hereby ratified and approved.
9. The Receiver's fees and disbursements for the period ended October 10, 2022 in the amount of \$156,600 (inclusive of applicable sales taxes) are hereby ratified and approved.
10. The fees and disbursements of McMillan LLP, as counsel to the Receiver, for the period ending September 30, 2022, in the amount of \$41,500 (inclusive of applicable sales taxes) are hereby ratified and approved.

## **TEMPORARY SEALING**

11. Division 4 of Part 6 of the Alberta Rules of Court does not apply to this application.
12. The First Confidential Report shall, until the filing of the Receiver's Closing Certificate confirming the closing of a sale of all of the properties described in the First Confidential Report, or as otherwise ordered by the Court, be sealed and kept confidential, to be shown only to a Justice of the Court of King's Bench of Alberta, and accordingly, shall be filed with the Clerk of the Court who shall keep the Second Confidential Report in a sealed envelope, which shall be clearly marked "SEALED PURSUANT TO THE ORDER OF THE HONOURABLE JUSTICE NEILSON DATED OCTOBER 28, 2022."

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Justice of the Court of King's Bench of Alberta

**Schedule "B"**

Form of Order for Contempt

(see attached)

COURT FILE NUMBER 2203 12557  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON  
PLAINTIFF ROYAL BANK OF CANADA  
DEFENDANTS FAISSAL MOUHAMAD PROFESSIONAL CORPORATION, MCIVOR DEVELOPMENTS LTD., 985842 ALBERTA LTD., 52 DENTAL CORPORATION, DELTA DENTAL CORP., 52 WELLNESS CENTRE INC., PARADISE MCIVOR DEVELOPMENTS LTD., MICHAEL DAVE MANAGEMENT LTD., FAISSAL MOUHAMAD and FETOUN AHMAD also known as FETOUN AHMED



DOCUMENT **ORDER (CONTEMPT)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **McMillan LLP**  
#1700, 421 – 7<sup>th</sup> Avenue SW  
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File No. 293571

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 4, 2022  
**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Justice J.T. Neilson  
**LOCATION OF HEARING:** Edmonton Law Courts

**UPON THE APPLICATION** of MNP Ltd., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of Faissal Mouhamad Professional Corporation, 52 Dental Corporation, Delta Dental Corp., Michael Dave Management Ltd., 52 Wellness Centre Inc., and 985842 Alberta Ltd.; AND UPON reviewing the First Report of the Interim Receiver dated September 9, 2022, the First Report of the Receiver dated September 29, 2022, and the Second Report of the Receiver dated October 28, 2022 (the “**Second Report**”); AND UPON reviewing the receivership order granted by the Honourable Justice Mah on September 16, 2022 (the “**Receivership Order**”) and the Order of the Honourable Justice Mah

appointing the Receiver in respect of 985842 Alberta Ltd.; AND UPON reviewing the Order of the Honourable Justice Mah granted September 29, 2022 (the “**September 29 Order**”); AND UPON the Second Report providing information related to the individual defendants’ failures to comply with the September 29 Order; AND UPON noting that the Second Report describes that the individual defendants have engaged in solicitation activities by directing patients to the South Hills Smiles Dental Care located at 130, 2085 50th Avenue, Red Deer, Alberta (“**South Hills Smiles Dental Care**”); AND UPON reviewing the Affidavit of Service confirming service on the service list contained therein (“**Service List**”); AND UPON hearing counsel for the Receiver and any other interested parties present;

**IT IS HEREBY ORDERED THAT:**

1. Fetoun Ahmad also known as Fetoun Ahmed (“**F. Ahmed**”) and Faissal Mouhamad (“**F. Mouhamad**”) (together, the “**Individual Defendants**”) are declared to be in contempt of court for failure to comply with the September 29 Order and the Receivership Order.
2. The Individual Defendants shall forthwith comply with this Order, the September 29 Order and the Receivership Order, failing which the Individual Defendants will remain in contempt of court and may be subject to further sanction of this court.
3. F. Mouhamad is directed to:
  - (a) comply with the Receiver regarding the affidavit required by paragraph 7 of the September 29 Order;
  - (b) remove the FB Page (as defined in the Second Report) or else provide an affidavit forthwith containing F. Mouhamad’s evidence regarding any knowledge of the FB Page.
4. The Individual Defendants are each directed to:
  - (a) comply with paragraph 6 of the September 29 Order and paragraphs 8 and 9 of the Receivership Order, including by ceasing forthwith any solicitation activities in relation to the Dental Clinics (as defined in the September 29 Order);
  - (b) cease from soliciting or contacting patients of the Dental Clinics (as defined in the September 29 Order) regarding South Hills Smiles Dental Care or any other alternative dental clinic;
  - (c) return all correspondence or other documents in their possession or control obtained by reason of the Mail Redirection (as defined in the Second Report).
5. Notwithstanding this Order, all relief granted in the Receivership Order and September 29 Order shall remain in full force and effect.
6. The Individual Defendants shall pay costs of this application to the Receiver in the amount of \$5,000, jointly and severally.

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**Justice of the Court of King's Bench of Alberta**