

**FAISSAL MOUHAMAD PROFESSIONAL CORPORATION, DELTA DENTAL CORP., MICHAEL DAVE
MANAGEMENT LTD. 52 DENTAL CORPORATION AND 52 WELLNESS CENTRE INC. – IN
RECEIVERSHIP**

ESTATE NOS. 24-116245, 24-116246, 24-116247, 25-095329 AND 25-095330

Subsection 246(2) of the Bankruptcy and Insolvency Act

BACKGROUND

On August 23, 2022, the Court of King's Bench of Alberta, known as the Court of Queen's Bench of Alberta (the "Court") at the time, granted an Interim Receivership Order (the "Interim Receivership Order") appointing MNP Ltd. as Interim Receiver (the "Interim Receiver") over all of the current and future assets, undertakings and property (the "Interim Receivership Property") of Faissal Mouhamad Professional Corporation ("FMPC"), Delta Dental Corp. ("DDC") and 52 Dental Corporation ("52 Dental", and together with FMPC and DDC, the "Interim Receivership Companies").

The Interim Receivership Order was granted pursuant to an application (the "RBC Application") by Royal Bank of Canada ("RBC"). The RBC Application sought the appointment of a Receiver and Manager. The Interim Receivership Order was granted following the adjournment of the RBC Application from August 23, 2022 to a hearing on September 14, 2022 (the "September 14 Hearing"). In advance of the September 14 Hearing, the RBC Application was expanded to include the appointment of a Receiver and Manager over the current and future assets, undertakings and property of 52 Wellness Centre Inc. ("52 Wellness") and Michael Dave Management Ltd. ("MDML"). Collectively, the Interim Receivership Companies, 52 Wellness and MDML will be referred to as the "Companies". The RBC Application was heard on September 14, 2022 and on September 16, 2022 (the "Filing Date"), the Court granted an Order (the "Receivership Order") appointing MNP Ltd. as receiver and manager (the "Receiver") of all of the current and future assets, undertakings and property of the Companies.

A copy of the Interim Receivership Order, the Receivership Order as well as other publicly available documents in these proceedings can be found on the Receiver's website at:

<https://mnpdebt.ca/en/corporate/corporate-engagements/fmpc> (the "Receiver's Website").

BACKGROUND

The Companies are summarized as follows:

Corporate entity	Directors/ Officers	Description of Operations
Faissal Mouhamad Professional Corporation o/a Delta Dental Delta Dental Corp.	F. Mouhamad is the sole director and shareholder F. Ahmed is the sole director and shareholder	Operated a dental clinic under the name "Delta Dental" (" Delta Clinic "). Had 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	Operated a dental clinic under the name "52 Dental" (" 52 Clinic ").
52 Wellness Centre Inc.	F. Mouhamad is the sole director and shareholder	Owned a building located at 3505 52nd Street SE, Calgary, Alberta (the " 52 Building "). The 52 Building houses 52 Dental and other commercial tenants.
Michael Dave Management Ltd.	F. Mouhamad is the sole director and shareholder	Owned a building located at 7151 50th Avenue in Red Deer, Alberta (the " Delta Building ") that houses Delta Dental.

ASSETS

As noted above, the key assets in the receivership proceedings included two operating dental clinics being the Delta Clinic and the 52 Clinic and two real properties, which are summarized below:

- The 52 Building, which was owned by 52 Wellness, housed the 52 Clinic and three other commercial tenants and is legally described as Plan 9910835, Block 39, Lot 1 excepting thereout all mines and minerals; and
- The Delta Building, which was owned by MDML, housed the Delta Clinic and is legally described as Plan 2223KS, Block 1, Lot 4A excepting thereout all mines and minerals (the Delta Building and the Delta Clinic will collectively be referred to as the "Delta Property").

The sales of the 52 Clinic, the 52 Building and the Delta Property were all approved pursuant to Orders granted by the Court on January 11, 2023 and the corresponding sales have now been completed. The Receiver continues to collect on outstanding accounts receivable due to the Delta Clinic and the 52 Clinic (the "A/R").

INTERIM STATEMENTS OF RECEIPTS AND DISBURSEMENTS

The Receiver's Interim Statements of Receipts and Disbursements for each of the Companies, each for the period ended March 13, 2023, are attached hereto.

NEXT STEPS

All of the Property has been realized, with the exception of the A/R, the collection of which is ongoing. In addition, a claims process is underway for all of the Companies, excluding 52 Wellness (the "Claims Process"). Pursuant to Orders granted on January 11, 2023, the Court approved distributions to certain secured creditors with fixed charges registered against the 52 Building and the Delta Building. Following completion of the Claims Process, which was approved by the Court pursuant to an Order granted on

February 14, 2023, the Receiver expects to seek further approval to distribute the funds held in each of the estates and anticipates seeking its discharge shortly thereafter.

Dated at Calgary, Alberta this 16th day of March 2023.

MNP Ltd., in its capacity as the Receiver and Manager of Faissal Mouhamad Professional Corporation, Delta Dental Corp., 52 Dental Corporation, 52 Wellness Centre Inc. and Michael Dave Management Ltd. and not in its personal or corporate capacity



Vanessa Allen, CIRP, LIT
Senior Vice President

Faissal Mouhamad Professional Corporation ("FMPC") and Delta Dental Corp. ("DDC")
Interim Statement of Receipts and Disbursements
For the Period from August 23, 2022 to March 13, 2023

		Notes
Sale of assets	\$ 2,345,571	1
Accounts receivable	657,291	2
Cash held in financial institutions	90,177	3
Receiver's certificate	50,000	4
Miscellaneous receipts	135	
Total receipts:	3,143,174	
 Disbursements:		
Contractor fees	614,410	5
Receiver's fees and disbursements	221,862	6
Receiver's legal fees and disbursements	130,779	7
Operating expenses	95,353	8
Commission	92,600	9
Repayment of receiver's borrowings	50,990	4
Rent expense	44,761	10
Payroll	40,618	11
Interim Receiver's fees and disbursements	38,813	12
GST Paid	29,990	
Utilities	11,192	
Property taxes	8,097	
Appraisals	6,495	
Interim Receiver's legal fees and disbursements	6,064	12
Insurance	4,034	
Miscellaneous expenses	3,738	
Patient refunds	2,919	
Total disbursements:	1,402,713	
 Net available cash:	\$ 1,740,461	13

Notes - general:

1. On August 23, 2022, the Court of King's Bench of Alberta (the "Court") granted an Interim Receivership Order appointing MNP Ltd. as Interim Receiver over all of the current and future assets, undertakings and property of FMPC o/a Delta Dental and Delta Dental Corp. (the "Property"). On September 16, 2022 (the "Receivership Date"), the Court granted a further Order (the "Receivership Order") appointing MNP Ltd. as Receiver and Manager over the Property. The Interim Statement of Receipts and Disbursements above includes the Interim Receivership and the Receivership period.

Notes - specific:

1. Represents the net sale proceeds from the sale of a dental practice known as Delta Dental (the "Delta Clinic"), which operated out of premises located at 7151 50 Avenue in Red Deer, Alberta (the "Delta Building"). The Sale of the Delta Clinic was approved by the Court pursuant to an Order granted on January 11, 2023 and closed on March 10, 2023.
2. Represents amounts collected from patients and their insurance providers.
3. Represents amounts collected from FMPC's account with Royal Bank of Canada and DDC's account with Scotiabank (the "DDC Account") since the date of interim receivership. The amount collected from the DDC Account is net of payroll \$67,317 that was paid directly from the DDC Account.
4. Pursuant to the Receivership Order, borrowings of \$50,000 were advanced to the Receiver. These borrowings, including applicable interest were repaid on March 13, 2023.
5. Represents payments to dentists, hygienists and contractors.
6. Represents the professional fees and disbursements of the Receiver for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.
7. Represents the professional fees and disbursements of the Receiver's legal counsel, McMillan LLP, for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.
8. Operating expenses include various dental supplies and patient labs.

**Faissal Mouhamad Professional Corporation ("FMPC") and Delta Dental
Corp. ("DDC")
Interim Statement of Receipts and Disbursements
For the Period from August 23, 2022 to March 13, 2023**

9. Represents the amount payable to Tier Three Brokerage Ltd. a division of Henry Schein for commission on the sale of the Delta Clinic.
10. Represents per-diem rent payable for the post-receivership period, based on an opinion on the market lease rate prepared by Newmark Knight Frank Canada Ltd. Operating expenses were paid directly by Delta Dental over the course of the receivership.
11. Represents payroll prior to the Receivership Date, including the required Canada Revenue Agency payroll source deduction remittances as well as eligible overtime incentives.
12. Represents professional fees and disbursements of the Interim Receiver and their legal counsel, McMillan LLP, prior to the Receivership Date.
13. In addition to the amount reflected above, selected accounts receivable continue to be collected into the DDC Account, which was set to deposit only.

Michael Dave Management Ltd. ("MDML")
Receiver's Interim Statement of Receipts and Disbursements
For the Period From September 16, 2022 to March 13, 2023

		<u>Notes</u>
Receipts:		
Sale of assets	\$ 1,421,845	1
Rent collected	44,761	2
Cash held in financial institutions	3,588	3
GST collected	2,238	
Total receipts:	1,472,431	
Disbursements:		
Receiver's fees and disbursements	106,183	4
Receiver's legal fees and disbursements	60,769	5
Commission	56,000	6
Insurance	8,327	
GST Paid	11,389	
Appraisal	5,000	
Miscellaneous disbursements	73	
Total disbursements:	247,741	
Net available cash:	\$ 1,224,690	

Notes - general:

1. On September 16, 2022, the Court of King's Bench of Alberta (the "Court") granted a Receivership Order appointing MNP Ltd. as Receiver and Manager over all of the current and future assets, undertakings and property of MDML.

Notes - specific:

1. Represents the net sale proceeds from the sale of a building located at 7151 50 Avenue in Red Deer, Alberta, which houses a dental practice known as Delta Dental (the "Delta Building"). The Sale of the Delta Building was approved by the Court pursuant to an Order granted on January 11, 2023 and closed on March 10, 2023.

2. Represents per-diem rent payable for the post-receivership period, based on an opinion on the market lease rate prepared by Newmark Knight Frank Canada Ltd. Operating expenses were paid directly by Delta Dental over the course of the receivership.

3. Represents amounts collected from MDML's account with TD Bank since the date of the receivership.

4. Represents the professional fees and disbursements of the Receiver for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.

5. Represents the professional fees and disbursements of the Receiver's legal counsel, McMillan LLP, for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.

6. Represents the amount payable to CBRE Limited for commission on the sale of the Delta Building.

52 Dental Corporation ("52 Dental")
Interim Statement of Receipts and Disbursements
For the Period From August 23, 2022 to March 13, 2023

		Notes
Receipts:		
Sale of assets	\$ 822,714	1
Accounts receivable	262,971	2
Cash held in financial institutions	91,944	3
Miscellaneous receipts	8,501	
Total receipts:	1,186,130	
Disbursements:		
Contractor fees	226,985	4
Receiver's fees and disbursements	171,083	5
Payroll	71,334	6
Rent expense	62,187	7
Operating expenses	50,667	8
Receiver's legal fees and disbursements	41,379	9
Commission	32,000	10
Interim Receiver's fees and disbursements	31,756	11
GST Paid	18,376	
Insurance	6,467	
Interim Receiver's legal fees and disbursements	6,064	11
Appraisal fees	5,595	
Miscellaneous disbursements	2,553	
Patient refunds	771	
Total disbursements:	727,217	
Net available cash:	\$ 458,914	12
Less:		
Funds held in trust	417,000	13
Net funds available	\$ 41,914	

Notes - general:

1. On August 23, 2022, the Court of King's Bench of Alberta (the "Court") granted an Interim Receivership Order appointing MNP Ltd. as Interim Receiver over all of the current and future assets, undertakings and property of 52 Dental (the "Property"). On September 16, 2022 (the "Receivership Date"), the Court granted a further Order appointing MNP Ltd. as Receiver and Manager over the Property. The Interim Statement of Receipts and Disbursements above includes the Interim Receivership and the Receivership period.

Notes - specific:

1. Represents the net sale proceeds from the sale of a dental practice known as 52 Dental (the "52 Clinic"), which operated out of premises located at 3505 52 Street SE in Calgary, Alberta (the "52 Building"). The Sale of the 52 Clinic was approved by the Court pursuant to an Order granted on January 11, 2023 (the "January 11 Order") and closed on March 10, 2023.
2. Represents amounts collected from patients and their insurance providers.
3. Represents amounts collected from 52 Dental's account with Scotiabank (the "52 Account") since the date of the interim receivership.
4. Represents payments to dentists and hygienists who are retained on a contract basis.
5. Represents the professional fees and disbursements of the Receiver for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.

52 Dental Corporation ("52 Dental")
Interim Statement of Receipts and Disbursements
For the Period From August 23, 2022 to March 13, 2023

6. Represents payroll, including the required Canada Revenue Agency payroll source deduction remittances as well as eligible overtime incentives during the interim receivership.
7. Represents per-diem rent payable for the post-receivership period, based on an opinion on the market lease rate prepared by Newmark Knight Frank Canada Ltd.
8. Operating expenses include various dental supplies and patient labs.
9. Represents the professional fees and disbursements of the Receiver's legal counsel, McMillan LLP, for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.
10. Represents the amount payable to Tier Three Brokerage Ltd. a division of Henry Schein for commission on the sale of the 52 Clinic.
11. Represents professional fees and disbursements of the Interim Receiver and their legal counsel, McMillan LLP, prior to the Receivership Date.
12. In addition to the amount reflected above, selected accounts receivable continue to be collected into the 52 Account, which is set to deposit only.
13. Represents the amount held in trust pursuant to the January 11 Order.

52 Wellness Centre Inc. ("52 Wellness")
Receiver's Interim Statement of Receipts and Disbursements
For the Period From September 16, 2022 to March 13, 2023

		<u>Notes</u>
Receipts:		
Sale of assets	\$ 1,912,687	1
Rent collected	105,299	2
GST collected	4,257	
Total receipts:	2,022,242	
Disbursements:		
Receiver's fees and disbursements	97,365	3
Commission	58,050	4
Receiver's legal fees and disbursements	57,317	5
Utilities	11,878	
GST paid	11,819	
Operating expenses	11,720	
Appraisal	4,000	
Repairs and maintenance	2,500	
Property management	2,000	
Miscellaneous disbursements	73	
Total disbursements:	256,722	
Net available cash:	\$ 1,765,520	

Notes - general:

"Court") granted a Receivership Order appointing MNP Ltd. as Receiver and Manager over all of the current and future assets, undertakings and property of 52 Wellness.

Notes - specific:

1. Represents the net sale proceeds from the sale of a building located at 3505 52 Street SE in Calgary, Alberta (the "52 Building"), which houses four commercial tenants. The Sale of the 52 Building was approved by the Court pursuant to an Order granted on January 11, 2023.
2. Represents rent paid to the Receiver by tenants of the 52 Building. Veranova Properties ("Veranova") is providing property management services for the 52 Building. Some tenants pay rent directly to Veranova, who remits the net balance after payment of property taxes and operating expenses to the Receiver. Includes per-diem rent payable from 52 Dental, who occupies unit 100, for the post-receivership period, which has been calculated based on an opinion on the market lease rate prepared by Newmark Knight Frank Canada Ltd.
3. Represents the professional fees and disbursements of the Receiver for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.
4. Represents the amount payable to NAI Commercial Real Estate Inc. for commission on the sale of the 52 Building.
5. Represents the professional fees and disbursements of the Receiver's legal counsel, McMillan LLP, for the period ended February 28, 2023, as detailed on "Schedule 1" attached hereto.