

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**ROYAL BANK OF CANADA**

Applicant

and

**MANRAY GLASS AND ALUMINUM INC. and 1948387 ONTARIO LTD.**

Respondent

**FIRST REPORT OF MNP LTD., IN ITS  
CAPACITY AS COURT APPOINTED RECEIVER OF  
MANRAY GLASS AND ALUMINUM INC. AND 1948387 ONTARIO LTD.**

**OCTOBER 8, 2019**

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## INTRODUCTION AND BACKGROUND

1. Manray Glass and Aluminum Inc. (“**Manray**”) is a company incorporated pursuant to the laws of the Province of Ontario with its head office and business operations located at 255 Ste-Anne Street, Ottawa, Ontario (the “**Real Property**”).
2. 1948387 Ontario Ltd. (“**194**”) is a company incorporated pursuant to the laws of the Province of Ontario with its head office and business operations located at 3495 Torwood Drive, Ottawa, Ontario.
3. Manray and 194 (collectively, the “**Companies**”) are managed and controlled by Mr. Paul Reichheld (the “**Director**”).
4. Manray is indebted to Royal Bank of Canada (“**RBC**” 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 and E to the Receivership Application Record (the “**Application Record**”) dated September 9, 2019 (the “**Manray Security**”).
5. As reported in the Application Record, Manray’s obligations to the Lender pursuant to the above agreements (the “**Manray RBC Indebtedness**”) totaled \$467,145.43 as at August 19, 2019 (excluding interest and fees accrued since).
6. 194 is indebted to RBC, 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 D, I and J to the Application Record (the “**194 Security**”).
7. As reported in the Application Record, 194’s obligations to the Lender pursuant to the above agreements (the “**194 RBC Indebtedness**”) totaled \$397,181.11 as at August 19, 2019 (excluding interest and fees accrued since).
8. The Manray Security and the 194 Security (collectively, the “**Security**”) provide for the appointment of a receiver in the event of default by the Companies under the Security.
9. The financial performance of the Companies began to deteriorate in 2018 which prompted RBC to transfer the management of the Company’s accounts to the Bank’s

Special Loans and Advisory Services unit on January 16, 2019. This was also in part as a result of the Companies failing to meet specific reporting requirements as set out in the loan and security instruments held by the Bank.

10. On February 6, 2019, RBC met with the Companies management at which time it was agreed that 194 would list the Real Property for sale.
11. On February 14, 2019 RBC made written demand for payment on the Companies to satisfy the Manray RBC Indebtedness and the 194 RBC Indebtedness (collectively, the “RBC Indebtedness”). Along with its demands, RBC delivered to the Companies Notices of Intention to Enforce Security (“NITES”) in accordance with s. 244 of the *Bankruptcy and Insolvency Act* (“BIA”)
12. On March 21, 2019, RBC’s lawyer was advised that the Real Property was listed for sale with an expectation that a transaction would be completed before the end of summer 2019. For the remaining of 2019, the Companies failed to comply with their financial reporting obligations and failed to dispose of any assets to reduce the RBC Indebtedness as agreed.
13. On March 25, 2019, RBC’s lawyer advised legal counsel for the Companies that RBC would be prepared to enter into a forbearance agreement if certain financial documentation were provided.
14. On May 6, 2019, draft forbearance agreements were provided to counsel of the Companies and on May 10, 2019, the Companies’ legal counsel advised RBC’s lawyer that the Companies would not sign the forbearance agreement.
15. The Companies ceased making deposits into the RBC operating accounts on or around May 21, 2019.
16. On or about August 9, 2019, the Companies’ legal representative declined to accept the appointment of RBC’s consultant and on August 13, 2019, RBC’s lawyer provided clear dates for the delivery of specific information to update RBC on the Companies’ refinancing efforts, the payment of amounts in arrears to RBC and various financial reporting requirements. The Companies failed to respond to this request.

17. On September 9, 2019, RBC therefore brought an application for the appointment of MNP Ltd. (“MNP”) as the receiver of the Companies for the protection of the interests of RBC and other stakeholders.
18. By Order of this Honourable Court dated September 17, 2019 (the “Receivership Order”), MNP was appointed receiver (the “Receiver”), without security, of all of the assets, undertakings and properties of Companies used in relation to their businesses, including all proceeds thereof (the “Property”). A copy of the Receivership Order is attached at **Appendix “1”**.

#### **PURPOSE OF THIS REPORT**

19. 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 for the proposed refinancing of the Real Property as describe in paragraphs 42 to 47 below (the “Refinancing Transaction”);
  - (d) seek the Court’s approval for the Receiver to discharge the RBC mortgage (the “Mortgage”) against title to Real Property upon receipt of the refinancing proceeds from the Refinancing Transaction; and
  - (e) seek the Court’s approval in respect of an interim distribution to RBC in the amount of \$424,479.70 on account of its Mortgage and first-ranking secured claim.
20. All amounts referred to in the First Report are in Canadian dollars unless otherwise noted.

#### **NOTICE TO READER**

21. This 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.
22. 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**

23. Immediately following the granting of the Receivership Order on September 17, 2019 (the “Receivership Date”), the Receiver attended at the Real Property to take possession of and secure the Real Property and Property. The initial activities of the Receiver included:

- (a) attending at the Real Property, which is simply a shell and uninhabitable;
- (b) obtaining proof of insurance from the Director;
- (c) instructing Manray’s bank, Bank of Montreal (“BMO”), to freeze Manray’s operating bank accounts and to forward remaining funds to the Receiver;
- (d) collecting \$81,785.27 from BMO on account of Manray’s funds or deposit with BMO;
- (e) meeting with Manray’s management to discuss the plans for the receivership administration, including determining which of Manray’s employees should be retained to assist the Receiver with collection of accounts receivable, completion of various contracts, updating and maintaining of accounting records, preparation of payroll and tax returns, and other administrative duties;
- (f) collecting relevant information from the books and records of Manray;
- (g) contacting the external consultant who prepared the Companies financial reporting;
- (h) reviewing the Companies’ books and records to determine the status of equipment, vehicles and art;

- (i) reviewing Manray's books and records to identify priority claims and any third-party claims, including demands for repossession of goods pursuant to section 81.1 of the BIA;
- (j) responding to creditor inquiries; and
- (k) preparing and issuing the prescribed notices and statements of the Receiver pursuant to ss. 245(1) and 246(1) of the BIA, which were sent to the Companies creditors. A copy of this notice is attached at **Appendix "2"**.

#### **COLLECTION OF ACCOUNTS RECEIVABLE**

- 24. On the Receivership Date, Manray had various accounts receivable related to ongoing construction projects and other services reported to be \$1,600,945.84 and holdback receivables of \$624,256.89. A copy of the accounts receivable and holdback lists are attached at **Appendix "3"**.
- 25. The Receiver contacted the Companies' external accountant to request copies of invoices, contracts, project draw reports and any other documents to support the outstanding accounts receivable.
- 26. On October 1, 2019, the external accountant provided a revised accounts receivable list reducing the amounts owing to Manray to \$1,319,123.10.
- 27. The total reduction in the accounts receivable is \$281,822.74 of which \$182,743.94 relates to cheques issued by Bassi Construction LP. The Receiver has collected and deposited this payment.
- 28. The Director and the external account advised the Receiver that the remaining amount of \$99,078.80 is on account of manual adjustments to the books and records to reflect what the Director believes the accounts receivable should be. The Receiver has not received any supporting documents for these adjustments.
- 29. To date, the Receiver has collected \$182,743.94 in accounts receivable.
- 30. The Receiver has not sent out letters of direction to the remaining accounts receivable customers and holdback receivables given the proposed Refinancing Transaction and possibility of the RBC Indebtedness and priority payables being paid in full.

31. Furthermore, typical in construction-based companies, once the letters of direction are issued, customers typically claw back the amounts owing for various reasons such as the costs to complete the projects, ongoing project deficiencies and potential warranty claims.
32. The trade accounts payable were \$1,419,520.41 as at the Receivership Date and the Receiver is not aware if any of the projects have been liened by the trade accounts payable. A copy of the accounts payable is attached it **Appendix “4”**.
33. In the event that the Refinancing Transaction is not approved by the Court or does not close, the Receiver will issue the accounts receivable redirection letters and attempt to realize on the holdback receivables.

#### **INVENTORY**

34. The Director advised the Receiver that neither of the Companies had any inventory. The Receiver attended the Real Property and confirmed that there was no inventory on site.

#### **FIXED ASSETS**

35. The Receiver has not taken possession of the Companies' assets. However, we have reviewed the financial reporting provided by representatives for the Companies and have confirm the following assets:
  - a) Real Property, currently listed for sale with Royal LePage Team Realty with a listing price of \$1,150,000;
  - b) Equipment, having a cost value of \$150,000;
  - c) 2008 Dodge Ram truck, having a cost value of \$60,142.43; and
  - d) Art, having a cost value of \$41,549.76.
36. The Company acquired the Real Property on June 28, 2016 for \$575,000. A copy of the parcel register for the Property and the Mortgage are attached at **Appendix “5”**.
37. On June 27, 2019, representatives for the Companies engaged Mclean, Simon & Associates (Ottawa) to provide an appraisal of the Real Property. The appraisal values the Real Property to be in the range of \$900,000 based on a direct comparison approach

and under the income approach to be \$815,000. Attached at **Appendix “6”** is a copy relevant parts of the appraisal.

38. The appraisal also confirms that the 2016 MPAC assessment for the Real Property was \$500,000 (page 8 of the appraisal report).
39. The Receiver inquired as to the location of the Companies’ equipment and the Director advised the Receiver that the equipment was sold to Aerloc Industries for \$100,000.00 on March 1, 2019. The Director further advised that the amount was yet to be paid and the external accountant advised the Receiver that he was not aware of the transaction and accordingly it was not reflected in the books and records of Manray. Attached at **Appendix “7”** is a copy of the sales invoice and the Manray general ledger report noting the cost value of the Manray assets and that the proposed sale was not recorded.
40. The Companies’ remaining vehicle is a 2008 Dodge Ram having a cost value of \$60,142.43. In December 2018, Manray transferred a Hummer to the Director and applied the net book value of that vehicle to increase the advances to shareholder. Attached at **Appendix “8”** is a copy of the general ledger report and vehicle ownership.
41. Manray purchased various art pieces for a total cost of \$41,549.76. Representatives for the Companies solicited interest from an art gallery which offered \$6,500.00 for one piece of art which Manray paid \$30,146.76 (see Appendix 6). Manray has not accepted the offer. The remaining art has not been offered for sale. Details of all of the art pieces is contained at **Appendix “9”**.

#### **THE REFINANCE TRANSACTION**

42. The Director recently confirmed that he believed the Companies could secure refinancing in order to fully repay the RBC Indebtedness, but that such refinancing would require RBC to discharge its Mortgage from title to the Real Property.
43. RBC confirmed that it was open to the Refinancing Transaction so long as it provided for the following:
  - a) The Refinancing Transaction would have to be completed through the Receivership and approved by the Court;

- b) The RBC Indebtedness, including all fees, disbursements and HST incurred by RBC, would have to be repaid in full as part of the said transaction;
- c) The Companies and the Director would need to provide whatever evidence was required by the Receiver to demonstrate that all priority payables, including remittances on account of HST and source deductions, were current, and would be kept current going forward;
- d) The Companies and the Director would need to be able to demonstrate that the Refinancing Transaction would result in sufficient funds to fully repay the RBC Indebtedness, all priority payables and all receivership costs through to the discharge of the Receiver, and provide the Receiver with whatever information and evidence it required to confirm the same; and
- e) RBC would discharge its Mortgage if all amounts owing pursuant thereto, being the principal amount of \$400,000.00, plus its fees, disbursements and HST, were forthwith paid to the Bank as a condition of closing.

44. 194 has obtained a mortgage loan commitment from Ottawa-Carleton Mortgage Inc. (the “**Mortgage Commitment Letter**”) in the amount of \$600,000 to refinance the Real Property. The net amount available under the Mortgage Commitment is expected to be \$576,000.

45. The Director has also obtained a letter from Shilja Verma (“**Verma**”) who is prepared to fund a further \$65,000 in to ensure that the Receiver has enough funds to satisfy the RBC indebtedness in full including all fees and expenses of RBC and the Receiver.

46. The Mortgage Commitment Letter and the Verma letter are attached an **Appendix “10”**.

47. The Receiver’s Statement of Receipts and Disbursements (attached at Appendix 17) referred to below suggests that there are sufficient funds on hand to close the Refinancing Transaction in accordance with the conditions set out by RBC and the Receiver as outlined above.

## **ONGOING OPERATIONS**

48. The Receiver has not operated the Company since its appointment.

## PRIORITY AND SECURED CLAIMS

### Priority Claims

49. The Receiver reviewed the books and records of Manray and identified priority claims totaling approximately \$6,526.73 for employee source deductions. Attached at **Appendix “11”** is an email from the external accountant confirming the amounts owing for employee source deductions.
50. The books and records of the Companies indicate that \$48,075.32 is owing for HST by Manray and \$2,501.38 by 194. On October 7, 2019, the Director paid the amounts for the period ending June 30, 2019. Attached at **Appendix “12”** is a copy of the Manray June 30, 2019 notice of assessment and proof of payment made on October 7, 2019 for both accounts.
51. The Receiver has reviewed the Manray records and the period July 1, to September 30, 2019 for HST was filed on October 8, 2019 and reports a balance due of \$16,827.49. Attached at **Appendix “13”** is a copy of the online filing.

### Secured Claims

52. Legal counsel for the Receiver has prepared and provided the Receiver with a legal opinion regarding the validity and enforceability of the security held by RBC, a copy of which is attached hereto at **Appendix “14”** for Manray and at **Appendix “15”** for 194.
53. Based on the legal opinion, it appears that RBC’s security is valid and enforceable as against the Property and the Real Property. In particular, RBC’s Mortgage is a first-ranking mortgage in the principal amount of \$400,000.00, which encumbers title to the Real Property.
54. RBC provided the Receiver with an updated statement of account in respect of the Company’s indebtedness to RBC as of October 3, 2019. As of this date, the outstanding balance to RBC was \$399,024.92 plus ongoing interest, and legal costs for 194 and \$371,751.50 plus ongoing interest, and legal fees for Manray. RBC recently confirmed that to date it has incurred legal fees, disbursements and HST totaling \$24,479.70. The RBC statements of account is attached at **Appendix “16”**.

55. It is a condition of the Refinancing Transaction that RBC discharge its Mortgage to permit the Companies' new lender to register a first-ranking mortgage on title to the Real Property. RBC is prepared to do so on the condition that the conditions of the Refinancing Transaction as set out above are observed and that the principal amount of its Mortgage, along with the costs incurred by it, be paid given that its Mortgage security ranks in priority to any other claim.
56. In light of the foregoing, the Receiver will therefore be seeking the authorization of the Court to make an interim distribution to RBC in the amount of \$424,479.70 to be applied against the 194 RBC Indebtedness.
57. Manray is leasing a 2018 Land Rover Sport and the PPSA registration is dated June 20, 2018. Given that this is a lease, the vehicle is not property of Manray and the Receiver has not taken possession or control of this vehicle.
58. The above legal opinions and the Application Record (which contains the PPSA search results) confirm that RBC is the first-ranking secured creditor of the Companies, and which registered its security interest on August 14, 2008 for Manray and on December 21, 2016 for 194 in priority to all other secured creditors.

#### **FUNDS AVAILABLE FOR DISTRIBUTION**

59. A copy of the Receiver's Interim Statement of Receipts and Disbursements ("Interim Statement") is attached hereto at **Appendix "17"**. It confirms that receipts exceed disbursements by \$264,529.21 to the date of this report.
60. The Interim Statement reflects the proposed Refinancing Transaction and eventual settlement of the RBC Indebtedness.
61. Considering the foregoing, the Receiver recommends making a distribution to RBC in the amount of \$424,479.70 and for the Receiver to hold the remaining amounts until the next report to the Court is filed.

#### **PROFESSIONAL FEES**

62. 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.

63. 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.

64. The fees and disbursements of the Receiver will be filed in the next report to the Court.

#### **COMPLETION OF THE RECEIVERSHIP**

65. The Receiver will attempt to close the Refinancing Transaction and report back to Court upon its completion. In the event the Refinancing Transaction does not close, the Receiver will resume the liquidation of the Companies' assets and collection of accounts receivable.

#### **SUMMARY AND RECOMMENDATIONS**

66. In the event the Refinancing Transaction is closed, it will satisfy the claims of RBC and CRA. It will also allow for the Companies to resume normal operations and continue to complete various construction projects now on hold.

67. Furthermore, the resumption of normal operations will allow the Companies to settle the ongoing unsecured claims from the collection of accounts receivable and holdback receivable.

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

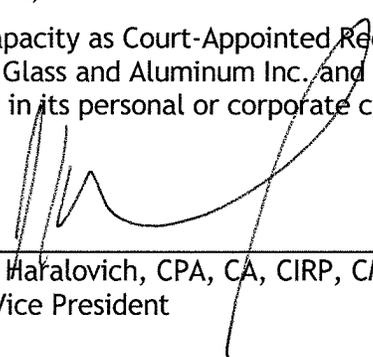
- (a) If necessary, abridging the time for and validation of service of the Notice of Motion and Motion Record herein;
- (b) Approving the Receiver's First Report, and the activities and conduct of the Receiver and of its legal counsel since its appointment, all as recited in the First Report;
- (c) Approving the Refinancing Transaction; and

- (d) Approving the discharge of the RBC Mortgage from title to the Real Property upon receipt of the refinancing proceeds, and approving a distribution to RBC in the amount of \$424,479.70.

This First Report is respectfully submitted to the Honourable Court as of this 8<sup>th</sup> day of October 2019.

**MNP LTD.,**

In Its capacity as Court-Appointed Receiver of  
Manray Glass and Aluminum Inc. and 1948387 Ontario Ltd.  
and not in its personal or corporate capacity  
Per:



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

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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE MADAM )  
JUSTICE SALLY A. GOMERY ) TUESDAY, THE 17<sup>TH</sup> DAY  
 )  
 ) OF SEPTEMBER, 2019.

BETWEEN:

**ROYAL BANK OF CANADA**

Applicant

- and -

**MANRAY GLASS AND ALUMINUM INC. and 1948387 ONTARIO LTD.**

Respondents

**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 all of the assets, undertakings and properties of the Respondents (hereinafter the "Debtors") acquired for, or used in relation to operations carried out by the Debtors, was heard this day at the Courthouse, 161 Elgin Street, Ottawa, Ontario, K2P 2K1.

ON READING the Affidavit of Sandra Viikna, sworn on August 27, 2019 and the Exhibits thereto, the Factum and Authorities of the Applicant, on hearing the submissions of counsel for the Applicant, no one appearing on behalf of any of the Respondents or other creditors on the Service List although duly served as appears from the Affidavits of Service of Roxanne Chapman sworn on ~~October 10 and 11~~ <sup>September 10</sup>, 2019 and on reading the consent of MNP Ltd., dated August 9, 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 all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the business carried out by the Debtors, including all 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 Debtors, 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 Debtors;

- (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 Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) 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 Debtors, 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;

- (k) 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;
- (l) 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, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; 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.
- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (p) 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 Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) 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 Debtors, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. THIS COURT ORDERS that (i) the Debtors, (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 Debtors, 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 DEBTORS OR THE PROPERTY**

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors 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 Debtors 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 Debtors, 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 Debtors to carry on any business which the Debtors 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 Debtors, 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 Debtors 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 Debtors 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 Debtors' 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 Debtors 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 Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' 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 Debtors, 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 \$ 50,000 (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. p-3

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/sci/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<@>'.

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 Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors 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 Debtors.

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 Debtors' 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.

ENTERED AT OTTAWA  
INSCRIT A OTTAWA  
ON/LE SEP 17 2018  
DOCUMENT # 0411  
IN BOOK NO. 73-13  
AU REGISTRE NO. 73-13

  
\_\_\_\_\_  
THE HONOURABLE MADAM JUSTICE SALLY A. GOMERY

2

District of: Ontario  
Division No. 12 - Ottawa  
Court No. CV-19-00081336-0000  
Estate No. 33-165723

- FORM 87 -

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

The receiver gives notice and declares that:

1. On the 17th day of September 2019, we, MNP LTD., became the receiver in respect of the property of Manray Glass and Aluminum Inc. and 1948387 Ontario LTD., that is described below:

Other	Art work	25000.00
Real Property or Immovable	Building and Land - Ottawa - 255 Ste-Anne - Land and Building	600000.00
Motor Vehicles	Automobile - Company Vehicle	10000.00

2. We became a receiver by having taken possession or control of the property described above (or by virtue of being appointed by Royal Bank of Canada), pursuant to a General Security Agreement dated July 14, 2009 and November 16, 2010 (Manray) a General Security Agreement dated December 23, 2016 (1948387) and a mortgage dated June 28, 2016 on specified property.

3. The undersigned took possession or control of the property described above on the 17th day of September 2019.

4. The following information relates to the receivership:

(a) Address: 255 Ste-Anne Street, Ottawa, ON, K1L 7C3

(b) Principal line of business: Construction

(c) Location(s) of business:

255 Ste-Anne Avenue, Ottawa, ON, K1L 7C3

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

Royal Bank of Canada	\$746130.00
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(e) The list of other creditors and the amount owed to each creditor and the total amount due is as follows:

AWD	Unsecured	\$1234916.00
Sunview Patio Doors	Unsecured	\$2002.00
Borden Ladner Gervais LLP - Ottawa	Unsecured	\$906.00
Thermover	Unsecured	\$6712.00
Alumico	Unsecured	\$263.00
Multiver	Unsecured	\$3013.00
CR Laurence Canada	Unsecured	\$622.00
Tremco	Unsecured	\$621.00
Trulite Industries	Unsecured	\$2058.00
Swingstage	Unsecured	\$1277.00
Ottawa Construction Association	Unsecured	\$544.00
SDI Supplies	Unsecured	\$746.00
BG Distribution	Unsecured	\$77.00
Division Eight Door Solutions Inc.	Unsecured	\$367.00
K.W. Electric	Unsecured	\$2576.00
Aerloc Industries	Unsecured	\$150498.00
Accrual C. Asselin	Unsecured	\$12323.00

(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 collect on the accounts receivable and realize on the assets of the corporations for the benefit of the various stakeholders.

(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 27th day of September 2019.

MNP LTD. - Licensed Insolvency Trustee

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

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**Manray Glass and Aluminum Inc**  
**Customer Aged Summary As at 16/09/2019**

<b>Name</b>	<b>Total</b>	<b>Current</b>	<b>31 to 60</b>	<b>61 to 90</b>	<b>91+</b>
AWD	108,694.06	0.00	0.00	0.00	108,694.06
Bassi Construction	76,999.10	7,210.30	4,644.30	0.00	65,144.50
K.Kulas	2,378.65	0.00	0.00	0.00	2,378.65
Mastercraft Management Inc	16,455.06	0.00	0.00	0.00	16,455.06
Morguard Investment	28,617.25	0.00	0.00	28,617.25	0.00
QE Custom Residences Inc	42,711.00	0.00	0.00	0.00	42,711.00
Soba Ottawa	1,043,267.98	0.00	0.00	0.00	1,043,267.98
<b>Total outstanding:</b>	<b>1,319,123.10</b>	<b>7,210.30</b>	<b>4,644.30</b>	<b>28,617.25</b>	<b>1,278,651.25</b>

**Manray Glass and Aluminum Inc  
Holdback As at 16/09/2019**

<u>Name</u>	<u>Total</u>	
Doran Contractors	287,386.94	Inv 1833
Soba Ottawa	<u>336,869.95</u>	Inv 1906
<b>Total outstanding:</b>	<b><u><u>624,256.89</u></u></b>	

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**Manray Glass and Aluminum Inc**  
**Accounts Payable**  
**September 16**

2105      **Accrual Payable**

**Summary:**

**Suppliers**

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AWD	\$	1,234,915.98
Sunview patio doors	\$	2,001.91
BLG	\$	905.60
Thermover	\$	6,711.68
Multiver	\$	3,012.66
Alumico	\$	262.80
Tremco	\$	621.22
Trulite industries	\$	2,058.24
CR Laurence	\$	621.82
Swingstage	\$	1,276.90
Ottawa Construction Association	\$	544.10
SDI Supplies	\$	745.57
BG Distribution	\$	77.14
Division Eight	\$	367.25
K W Electric	\$	2,576.40
Accrual C. Asselin	\$	12,323.22
Aerloc industries	\$	150,497.92
	\$	<u>1,419,520.41</u>

**Government**

Receiver General - HST June 30, 2019      \$ 48,389.76

**Total Payables**      \$ 1,467,910.17

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LAND  
REGISTRY  
OFFICE #1

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

04232-0030 (L7)

PAGE 3 OF 3  
PREPARED FOR e4d7f2cch  
ON 2019/02/14 AT 11:31:19

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CRSD
OC1799910	2016/06/28	TRANSFER	5575,000	BORTON, ANNA CESARIO, ALBINO CESARIO, TERESA	1548287 ONYX10 LTD.	C
		REMARKS: PLANNING ACT STATEMENTS.				
OC1799910	2016/06/28	CHARGE	1405,320	1548287 ONYX10 LTD.	ATLA BANK LP "ACCEL"	C

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

LRO # 4 ChargeMortgage

Received as OC1799916 on 2018 08 28 at 12:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 2

**Properties**

**PIN** 04232 - 0030 LT **Interest/Estate** Fee Simple  
**Description** LTS 60 & 61 & PT LT 62, PL 248 , AS IN NS273468 ; VANIER/GLOUCESTER  
**Address** 255 STE. ANNE  
OTTAWA

**Chargor(s)**

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

**Name** 1948367 ONTARIO LTD.  
**Address for Service** 3485 Torwood Avenue,  
Ottawa, Ontario  
K0A 1T0

I, Paul Charles Reichheld, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Chargee(s)**

**Capacity**

**Share**

**Name** ROYAL BANK OF CANADA  
**Address for Service** 1 Place Ville-Marie, 2nd Floor, East Wing  
Montreal, Quebec  
H3C 3A9

**Provisions**

**Principal** \$ 400,000.00 **Currency** CDN  
**Calculation Period**  
**Balance Due Date**  
**Interest Rate** Prime Rate Plus 5% per annum  
**Payments**  
**Interest Adjustment Date**  
**Payment Date**  
**First Payment Date**  
**Last Payment Date**  
**Standard Charge Terms** 20015  
**Insurance Amount** full insurable value  
**Guarantor**

**Signed By**

Stephen Irwin Goldberg 400-200 Elgin Street acting for Signed 2018 08 27  
Ottawa Chargor(s)  
K2P 1L5  
**Tel** 613-594-8000  
**Fax** 613-235-7578

I have the authority to sign and register the document on behalf of the Chargor(s).

LRO # 4 Charge/Mortgage

Received as OC1799916 on 2016 06 28 at 12:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 2

**Submitted By**

STEPHEN I GOLDBERG LAW OFFICE

400-200 Elgin Street  
Ottawa  
K2P 1L5

2016 06 28

Tel 613-594-8000

Fax 613-235-7578

**Fees/Taxes/Payment**

Statutory Registration Fee \$62.85

Total Paid \$62.85

**File Number**

Charger Client File Number :

11078

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**APPRAISAL REPORT  
ON  
255 STE. ANNE AVENUE  
OTTAWA, ONTARIO**

**PREPARED FOR  
1948387 ONTARIO INC.  
c/o  
MANRAY GLASS AND ALUMINIUM INC.**

**PREPARED BY  
MCLEAN, SIMON & ASSOCIATES (OTTAWA)  
*REAL ESTATE ADVISORY SERVICES***

**JULY 2019**



July 22, 2019

Reference No. 354N-19

1948387 Ontario Inc.  
c/o Manray Glass and Aluminum Inc.  
255 Ste. Anne Avenue  
Ottawa, Ontario  
K1L 7C3

**Attention:** Ms. Amanda White

Dear Ms. White:

**Re: Appraisal Report on 255 Ste. Anne Avenue, Ottawa, Ontario**

In accordance with your instructions, we have inspected the above-referenced property and have undertaken a valuation investigation in order to provide you with an estimate of its current market value. The effective date of appraisal is June 27, 2019.

The property rights being appraised are those of the fee simple interest of the subject property. It is assumed that the subject property would be exposed for sale under its current physical state and occupancy status, based on the "as is" physical observations noted upon our on-site inspection of June 27, 2019.

The market value estimate assumes an "all cash" transaction, free and clear of any existing mortgages and/or other encumbrances, unless otherwise noted in this report. **It is also assumed that the subject property is free and clear of any hazardous or toxic substances which may adversely affect its market value and/or highest and best use.**

... / 2

- 2 -

Based on our investigations and analysis, it is our opinion that the current market value estimate of the fee simple interest in the subject property, located at 255 Ste. Anne Avenue, Ottawa, Ontario, as of June 27, 2019, is:

**NINE HUNDRED THOUSAND DOLLARS  
(\$900,000)**

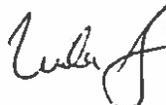
Please find attached the details of the subject property and our valuation methodology. Should you require any further assistance in these or other matters, please let us know.

Yours truly,

**MCLEAN, SIMON & ASSOCIATES (OTTAWA)**



Robert A Gribbon, CRA, P.App



Michael Simon, B.Comm., AACI, P.App

**PHOTOGRAPHS OF THE SUBJECT PROPERTY**



*Front and Side Elevations*

## SUMMARY OF SALIENT FACTS AND IMPORTANT CONCLUSIONS

### Terms of Reference

Purpose of Report:	To estimate the current market value of the fee simple interest in the subject property.
Effective Date of Appraisal:	June 27, 2019 (date of inspection)
Intended Use of Appraisal:	Mortgage financing

### Property Data

Municipal Address:	255 Ste. Anne Avenue, Ottawa, Ontario
Location:	East side of Ste. Anne Avenue, north of Montreal Road, in the Vanier district, in the City of Ottawa
Legal Description:	Lots 60, 61 and Part lot 62, Plan 246, City of Ottawa.
Site Area:	12,421 square feet - Subject to Survey
Zoning Designation:	R4E - Residential Fourth Density Zone
Existing Improvements:	One-storey slab-on-grade industrial warehouse building, with partial interior finishing. Comprises partial space(wall divisions) completed spaces for two interior units, with two overhead loading doors, main front entrance into partially finished office spaces and large open garage/warehouse areas. Ceiling height is estimated at 15 feet exterior and 12-13 feet interior clearance.
Total Gross Floor Area:	8,992 square feet
Building-to-Site Coverage Ratio:	72%

### Conclusions

Highest and Best Use:	Continuation of existing use
-----------------------	------------------------------

Market Value Estimate by the  
Direct Comparison Approach: \$900,000

Market Value Estimate by  
the Income Approach: \$815,000

**FINAL ESTIMATE OF  
CURRENT MARKET VALUE: \$900,000 - As of June 27, 2019**

## **TITLE AND ASSESSMENT INFORMATION**

### **Legal Description**

The subject property is legally described as being composed of Lots 60, 61 and Part of Lot 62 on Plan 246, City of Ottawa. PIN 04232-0030.

The foregoing description was obtained from the Geowarehouse on-line registry system. It is assumed to be correct, and should not be relied upon without obtaining a qualified legal opinion.

### **Ownership Information and Three Years Sales History**

The subject property is presently under the ownership of 1948387 Ontario Inc. The subject property transacted in June 28, 2016 for a consideration of \$575,000 (MLS#965211). The subject is currently listed on the MLS(#1140851). Since March 4, 2019 at an initial asking price of \$1,695,000, with a price reduction to the current list price of \$1,350,000.

### **Easements/Rights-of-Way**

The subject property does not appear to be subject to easements/rights-of-way. A legal opinion should be sought regarding these and any other registered or unregistered encumbrances that may exist.

### **Outstanding Mortgages and Other Encumbrances**

For the purpose of this appraisal and the estimate of market value, it is assumed that the subject property is free and clear of any existing mortgages and/or other encumbrances, unless otherwise stated. As a result, it is presumed that the property would be exposed for sale on an "all-cash" basis.

**Property Assessment and Realty Tax Information**

According to the Municipal Property Assessment Corporation (MPAC), the assessed value based on January 1, 2016 for the subject property is \$500,000. According to the MLS Listing, realty taxes for the subject property in 2019 are estimated at \$29,418 (approximately \$3.27 per square foot of building area).

## DESCRIPTION OF IMPROVEMENTS

### General Description

The subject site is currently improved with one-storey slab-on-grade light-industrial building that is presently under renovations and being improved. The subject property is currently owner-occupied. The building was originally constructed in 1958 and improved with the current renovations that commenced in 2017-2018.

The total gross floor area is approximately 8,992 square feet. The building area was obtained from our on site measurements and confirmed with the Municipal Property Assessment Corporation (MPAC).

The following descriptive information has been taken from information gathered at the time of our inspection.

### Construction Details

Construction:	Steel and wood frame and concrete block.
Foundation:	Poured concrete (slab-on-grade).
Exterior:	Brick, stucco, concrete block and aluminium trim.
Roof:	Flat, thermoplastic membrane on a metal deck (reportedly).
Mechanical:	Full in-floor radiant heating (glycol), provided by two on demand gas fired boilers. Full 600 volt - 400 amp service is noted for the building. Full spray foam insulation and partially finished office wall partitions in place (wood frame).
Windows:	Double pane, metal frame units(recently installed).

**Building Layout and Finishing**

The building comprises a light-industrial warehouse building with two overhead garage doors on the north and south ends of the building fronting onto Ste. Anne Avenue. The front entrances lead into proposed (incomplete) wall partitions which would appear to be office/retail in nature. The front proposed spaces appear to be set up for two independent units, with separate heating, washrooms and small office/reception areas. There are two interior garage bays accessed from the exterior overhead doors. The garage bays lead into the open warehouse spaces from two more overhead garage doors. The interior warehouse space is partially divided by a partial concrete block wall, which runs down the middle of the building to about 2/3 thirds of its length. The rear portion of the building is open across the back of the entire building.

The exterior building height is approximately 15 feet with interior clearance of approximately 12-13 feet in the office/garage/warehouse areas. There is are four 10' x 12' overhead doors at the front of the building (one exterior and one interior per side). There are additional doors at the side (south side) located and accessed from the side laneway. The front of the building provides a door entrance which leads into the proposed office/retail areas (assumed to be two-units).

**Site Improvements**

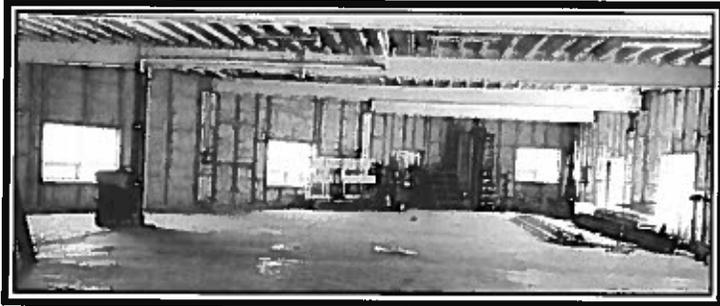
The building-to-site coverage ratio is approximately 72%. The subject site is improved with a laneway (gravel) on the south side of the building. The front entrances into the garage bays is paved. The northern and eastern sides of the site abut directly on the neighbouring properties.

**Conclusions**

Overall, the subject improvements appear to be in good condition and well maintained, given their age and recent improvements.

Sampling Photographs have been provided on the following pages.

**PHOTOGRAPHS OF THE SUBJECT PROPERTY**



7

MANRAY GLASS AND ALUMINUM INC.  
255 STE.ANNE AVE OTTAWA K1L5N4  
T.613.223.6666

---

MAR 1, 2019

**INVOICE**

TO: AERLOC INDUSTRIES

FOR THE SALE OF ELECTRIC METAL BREAK AND SHEAR.  
COST: \$100000.00 PLUS HST

**TOTAL :\$113.000.00**

**Manray Glass and Aluminum Inc**  
**General Ledger Report 01/01/2016 to 31/12/2016**

Sorted by: Date

Date	Comment	Source #	JE#	Debits	Credits	Balance	
<b>1810</b>	<b>Computer</b>					3,238.00	Dr
31/03/2016	Visa statement Mar Paul	BS	J358	2,549.00	-	5,787.00	Dr
<b>1811</b>	<b>Acc Dep. Computer</b>					3,004.88	Cr
31/12/2016	Depreciation	R01	J1580	-	452.29	3,457.17	Cr
<b>1815</b>	<b>Construction Equipment</b>					5,292.00	Dr
31/01/2016	West way machinery	C4165	J1576	39,823.01	-	45,115.01	Dr
24/06/2016	Westway Machinery Ltd	C4434	J692	110,176.99	-	155,292.00	Dr
				150,000.00	-	-	
<b>1816</b>	<b>Acc. Dep Const Equipment</b>					4,238.78	Cr
31/12/2016	Depreciation	R01	J1580	-	15,210.65	19,449.43	Cr
<b>1817</b>	<b>Art work</b>					-	Dr
11/07/2016	To record Art purchased as Leasehold improvement	BS	J894	11,403.00	-	11,403.00	Dr
11/07/2016	To record Art purchased as Leasehold improvement	BS	J894	30,146.76	-	41,549.76	Dr
				41,549.76	-	-	
<b>1820</b>	<b>Office Furniture &amp; Equipment</b>					3,258.00	Dr
<b>1825</b>	<b>Acc. Dep. -Furn. &amp; Equip.</b>					2,667.23	Cr
31/12/2016	Depreciation	R01	J1580	-	118.15	2,785.38	Cr
<b>1840</b>	<b>Vehicle</b>					144,083.96	Dr
17/08/2016	To record the purchas of a new truck	BS	J893	64,732.50	-	208,816.46	Dr
16/09/2016	Import tax on truck	C4561	J942	2,500.00	-	211,316.46	Dr
31/12/2016	To record the sale of Honda 2006	YEADJ	J1532	-	19,374.00	191,942.46	Dr
31/12/2016	To record the sale of Ford pick up	YEADJ	J1534	-	64,567.53	127,374.93	Dr
				67,232.50	83,941.53	-	
<b>1845</b>	<b>Accum. Amort. -Vehicle</b>					111,224.36	Cr
30/09/2016	Depresiation Sept 2016 estimate	ADJS03	J1095	-	11,250.00	122,474.36	Cr
31/12/2016	To reverse ADJS03 accrued amortization expense	ADJ	J1490	11,250.00	-	111,224.36	Cr
31/12/2016	To record the sale of Honda 2006	YEADJ	J1532	18,221.23	-	93,003.13	Cr
31/12/2016	To record the sale of Ford pick up	YEADJ	J1534	41,709.01	-	51,294.12	Cr
31/12/2016	Depreciation	R01	J1580	-	16,341.06	67,635.18	Cr
				71,180.24	27,591.06	-	
<b>1860</b>	<b>Building</b>					-	Dr
<b>1865</b>	<b>Accum. Amort. -Building</b>					-	Dr
<b>1880</b>	<b>Land</b>					-	Dr

*Hammer*

67232.50

8

**Manray Glass and Aluminum Inc**  
**General Ledger Report 01/01/2018 to 31/12/2018**  
**Sorted by: Date**

Date	Comment	Source #	JE#	Debits	Credits	Balance	
1810	Computer					5,787.00	Dr
1811	Acc Dep. Computer					4,156.12	Cr
31/12/2018	Depreciation 2018	R01	J1268	-	489.26	4,645.38	Cr
1815	Construction Equipement					155,292.00	Dr
1816	Acc. Dep Const Equipment					46,617.94	Cr
31/12/2018	Depreciation 2018	R01	J1268	-	21,734.82	68,352.76	Cr
1817	Art work					41,549.76	Dr
1820	Office Furniture & Equipment					3,258.00	Dr
1825	Acc. Dep. -Furn. & Equip.					2,879.90	Cr
31/12/2018	Depreciation 2018	R01	J1268	-	75.62	2,955.52	Cr
1840	Vehicle					127,374.93	Dr
31/12/2018	Record sale of Hummer to Paul	R06	J1280	-	67,232.50	60,142.43	Dr
1845	Accum. Amort. -Vehicle					85,557.11	Cr
31/12/2018	Depreciation 2018	R01	J1268	-	7,444.92	93,002.03	Cr
31/12/2018	Record sale of Hummer to Paul	R06	J1280	33,229.66	-	59,772.37	Cr
				33,229.66	7,444.92		
1860	Building					-	Dr
1865	Accum. Amort. -Building					-	Dr
1880	Land					-	Dr

*Sold Hummer to Paul*

$67,232.50$   
 ~~$64,567.55$~~   
 Over write down of prior vehicles  
 $(7,090.07)$   
 $60,142.43$  Prior to 2013

**John Haralovich**

**From:** Amanda White <amanda.y.white@live.com>  
**Sent:** September 30, 2019 5:17 PM  
**To:** John Haralovich  
**Cc:** paul@manrayglass.ca  
**Subject:** Ownership

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Please see attached requested vehicle ownership.



Sent from my iPhone

9

## John Haralovich

---

**From:** Amanda White <amanda.y.white@live.com>  
**Sent:** September 30, 2019 5:15 PM  
**To:** John Haralovich  
**Cc:** Paul Reichheld  
**Subject:** Fw: Warhol appraisal

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**From:** Ron - Revolver Gallery <[ron@revolvergallery.com](mailto:ron@revolvergallery.com)>  
**Date:** August 27, 2019 at 5:20:48 PM EDT  
**To:** Amanda White <[amanda.y.white@live.com](mailto:amanda.y.white@live.com)>  
**Subject:** Re: Andy Warhol | Electric Chair 80 | Revolver Gallery - Offer

Hi Amanda,

Just checking in. Did you have any interest in our offer?

Regards,

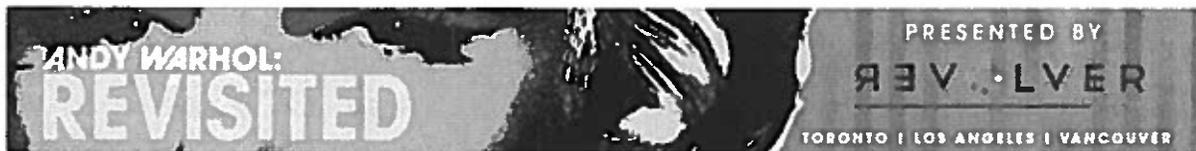
Ron Rivlin

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Revolver Gallery - Andy Warhol Specialists  
8130 W 3rd St. Los Angeles, California 90048  
Gallery: 310.786.7417 | Mobile: 310.895.5868  
Website: [www.revolvergallery.com](http://www.revolvergallery.com)  
Follow us on [Facebook](#) & [Twitter](#) for constant updates!  
SUMMER 2019 Catalogue: [Click Here](#)  
Exhibition: [ANDY WARHOL REVISITED](#) Toronto | Los Angeles | Vancouver

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On Aug 8, 2019, at 4:06 PM, Ron - Revolver Gallery <[ron@revolvergallery.com](mailto:ron@revolvergallery.com)> wrote:

Hi Amanda,

Thank you for giving us the opportunity to offer on your Andy Warhol *Electric Chair 80*.

Our buying process is transparent and straightforward. We offer above what you would NET after fees and expenses if you were to consign the work to be sold at Christie's, Sotheby's, or any other major auction house. Selling artwork at auction is the primary way to sell high-value art; it is also how buyers benchmark value when they buy.

Auction houses have the largest market reach and are typically able to command the highest prices. Nowadays with the Internet, these auction results are deemed as retail. However, when you sell through an auction house, they typically charge you a 15% fee as a sellers/consignment fee on the hammer price, as well as shipping, marketing, insurance, and photography. The prices you see in their auction results on websites are inclusive of their Buyers Premium fees, of which you would see nothing. Lastly, you will have to wait about 60 days after the auction to get paid, assuming the buyer pays for the lot. If the buyer does not, the auction house will not guarantee any payment.

Another factor to be aware of is the economic or political climate. The market can be volatile, and sometimes a rainy day, internal politics or other factors can affect the activity of an auction, driving down both participation in the lot and the final hammer price.

We are an immediate, same-day solution. We pay the agreed amount the day we inspect the works.

**Electric Chair 80:** For purposes of our internal evaluation, we have looked at what we consider typical comparable sales and consider that your *Electric Chair 80* auction hammer price average is \$7,297. The sales comparables we considered are attached below. In addition, after the typical consignment fee at 15%, we consider that your net would be \$6,202 + you would pay shipping, packing, insurance (shipping and holding until auction), marketing and photography (at least \$2,000). We can offer \$6,500.

<Screen Shot 2019-08-08 at 3.12.29 PM.png><Screen Shot 2019-08-08 at 3.12.19 PM.png><Screen Shot 2019-08-08 at 3.12.11 PM.png><Screen Shot 2019-08-08 at 3.12.02 PM.png><Screen Shot 2019-08-08 at 3.11.55 PM.png>  
<Screen Shot 2019-08-08 at 3.11.30 PM.png><Screen Shot 2019-08-08 at 3.11.20 PM.png>

Best,

Ron Rivlin

---

Revolver Gallery - Andy Warhol Specialists  
8130 W 3rd St. Los Angeles, California 90048  
Gallery: 310.786.7417 | Mobile: 310.895.5868  
Website: [www.revolvergallery.com](http://www.revolvergallery.com)  
Follow us on [Facebook](#) & [Twitter](#) for constant updates!  
Summer 2019 Catalogue: [Click Here](#)  
Exhibition: [ANDY WARHOL REVISITED](#) Toronto | Los Angeles | Vancouver

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<600-px-sig.gif>

From:  
Company: Martin Lawrence Gallery  
Phone #: 212-995-8865  
Invoice #: 14-907/01  
Wire Account \$

ACCOUNT NAME: MARTIN LAWRENCE GALLERY

ACCOUNT #: 48793177

ROUTING #: 021000089

SWIFT CODE #: CITIUS 33

BANK:  
CITIBANK, N.A. BR #25  
7<sup>TH</sup> AVENUE AT 34<sup>TH</sup> STREET  
NEW YORK, NY 10001



COMMERCIAL INVOICE

MARTIN LAWRENCE GALLERIES

11940 BORDEN AVENUE, SAN FERNANDO, CA. 91340, U.S.A.  
PHONE: 818 838-0505, FAX: 818 838-0510

INVOICE NUMBER: 14-907101  
SOLD TO: PAUL REICHEL  
ADDRESS: 375 COOPER STREET, OTTAWA, ON  
K2P 0G8, CANADA

TELEPHONE NUMBER: 613 223-6666

SHIP TO: ADDRESS: OTTAWA INTL. AIRPORT

TELEPHONE NUMBER:

SHIPPING INSTRUCTIONS: PREPAID C/D DOOR TO AIRPORT C/O  
SENDEREX AGENT

QTY	INVENTORY #	EDITION	TITLE	UNIT PRICE
1	GRWAR008001	APR07S	ELECTRIC CHAIR #80, 1971	\$21,000.00 US

SUBTOTAL: \$21,000.00 US  
SHIPPING TOTAL: \$21,000.00 US

ORIGINAL SCREEN PRINT  
COUNTRY OF ORIGIN U.S.A.  
CRATE SIZE: 4" X 11" X 14" 50/100

**Reichheld, Paul**  
 375 copper st  
 Ottawa  
 ONTARIO K0A1K3

Date: 2012/11/02 Time/Heure: 15:44  
 Code: 076-8333665  
 Type: PAYE

CBGA/ASFC  
 2011/11/02  
 PAID/PAYÉ  
 Ottawa Air Cargo  
 140 Thad Johnson  
 Y200000783 T

Code	Description	Quantité	Unité	Valeur	Taux	Montant	Code	Unité	Valeur	Taux	Montant	Code	Unité	Valeur	Taux	Montant
9999	Taxes et droits - autres que les taxes et droits			0.0000	0.0000	0.00			0.00	0.00	0.00			0.00	0.00	0.00

16326  
 Taxes et droits autres que les taxes et droits occasionnelles

Duty	00.00
Excise tax	00.00
GST/HST	00.00
Provincial sales tax	00.00
Provincial excise tax	00.00
Provincial sales tax	00.00
Provincial excise tax	00.00
Grand Total	00.00

Cash - CAN	00.00
Cash - USD	00.00
U.S. exchange	0.000000
TTM - PM / MD	00.000000
TOTAL	00.000000
Change due	00.00



ORIGINAL  
BOOKED FRT 614-4333449

814 LAI ADDRESS IN BOND/BOUS/TORONTO

MARTIN LAWRENCE LTD  
31940 BORDEN AVE  
DAN FERRANDO CR  
U.S.A. 91340

PAUL REICHELDO  
875 COOPER STREET  
OTTAWA ON  
CANADA

GENEVIÈVE CARROT COITING  
5451 W 134TH STREET  
LOS ANGELES CA US950045

01-1 7437/0011 01-1 7437/0011 I

LOS ANGELES

NYC NY

NYC NY

NYC NY

NYC NY

NVD NCV

NVD NCV

NVD NCV

NYC NY

01-1-7429/0011 1  
AIR CANADA  
MONTREAL, QUEBEC, CANADA

**SALE**

APPROVED  
Appr Code: 002260  
015A

445.00

Thank you / MERCI  
CUSTOMER COPY

**PAYMENT MUST BE MADE AT TIME OF DELIVERY**

AIR CANADA  
CARGO  
OTTAWA INTL AIRPORT  
PAID  
NOV 02 2011  
1/2 Cx

IN BOND  
OCT 31 2011  
CARGO TERMINAL  
AERODROME

OK TO RELEASE - REMAIN

PROCT11 LOS ANGELES

ATCHED: 010111 011-00155555  
010011 18:02:40  
ORIGINAL 2 FOR AIRCARRIAGE - ESTIMATED

# John Haralovich

**From:** Amanda White <amanda.y.white@live.com>  
**Sent:** October 2, 2019 12:11 PM  
**To:** John Haralovich  
**Subject:** Artwork

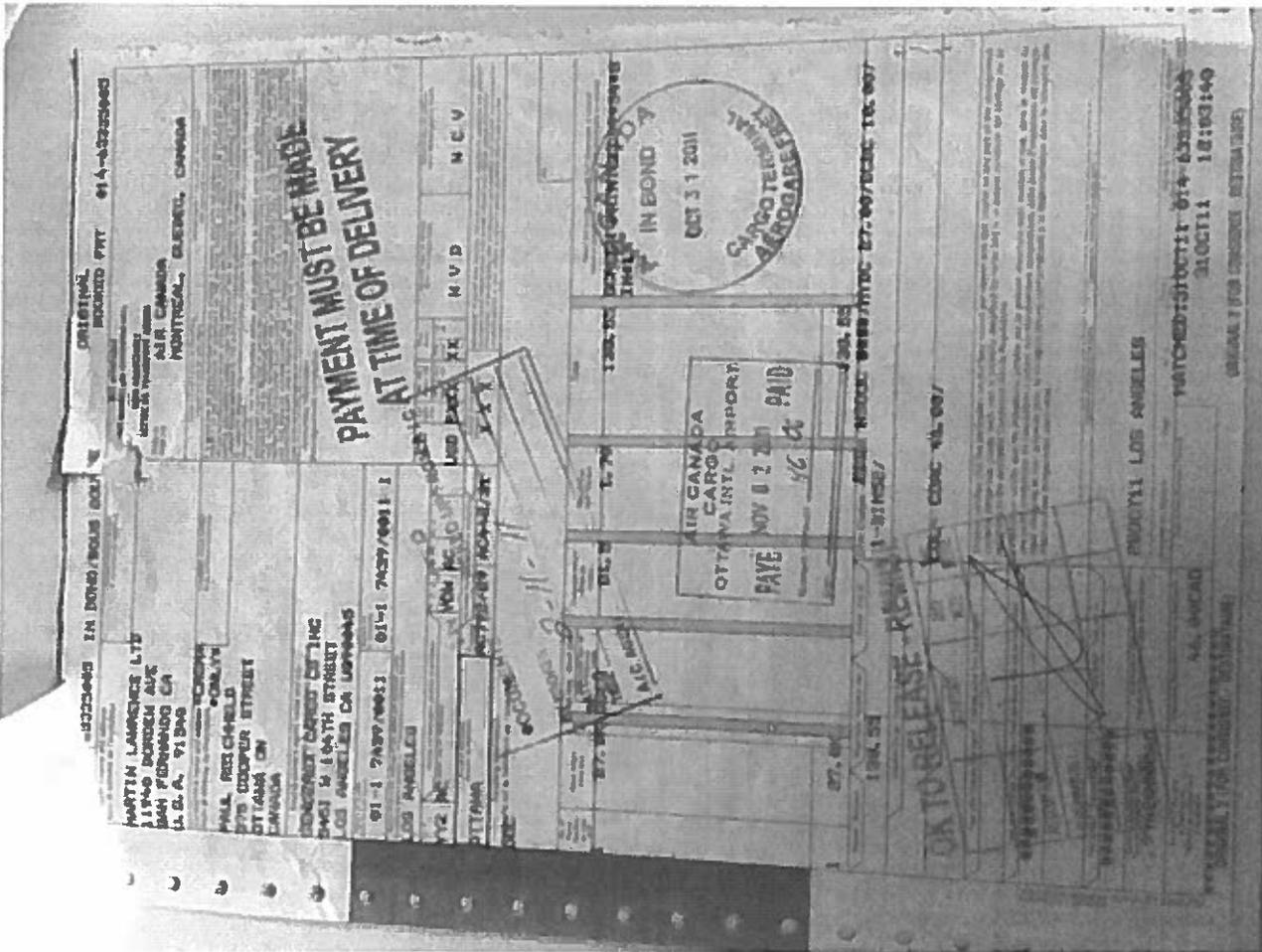
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Hi John,

Here is a copy of everything I have with respect to the artwork purchased from Martin Lawrence. I hope this helps!

I'd also like to thank you for taking the time to speak with me this morning. As said, we are both working towards the same goal and looking forward to putting this matter to rest as efficiently and smoothly for all involved.

Have a good afternoon,  
Amanda



## John Haralovich

---

**From:** Amanda White <amanda.y.white@live.com>  
**Sent:** October 2, 2019 1:59 PM  
**To:** John Haralovich  
**Subject:** Art

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I believe this is the other info you require.

Hope this helps,  
Amanda

**MLG Soho**  
**457 W. Broadway**  
**New York, NY 10012**  
**Phone: (212) 995-8885**  
**Fax: (212) 353-3850**

**Soh**  
**Ord**  
**Cur**

BILL TO	SHIP TO
<b>Reichheld, Paul</b> <b>3495 Torwood Drive</b> <b>Dunrobin, ON K0A1T0</b> <b>Canada</b>  <b>Phone: 6132238888</b>	<b>Reichheld, Paul</b> <b>3495 Torwood Drive</b> <b>Dunrobin, ON K0A1T0</b> <b>Canada</b>  <b>Phone: 6132238888</b>

**Notes: GRMUR201225 Time Bokan Black is in Soho gallery, others are not in gallery**

ENTERED BY	SHIP VIA	CC
<b>SOHO</b>	<b>Ship Operations</b>	
QUOTE DATE	TERMS	CONSULTANT NAME
<b>7/1/2016</b>	<b>Due Upon Receipt</b>	<b>Patrick Leonard</b>

IMAGE NUMBER	ARTIST	EDITION	QUANTITY	UNITS	UNIT PRICE
<b>GR-MUR-201225-</b> <b>Time Bokan-Black</b>	<b>Murakami</b>	<b>NU0151</b>	<b>1</b>	<b>EACH</b>	<b>1,275.00</b>
<b>Notes:</b>					
<b>GR-MUR-201216-</b> <b>Dokuro Silver</b>	<b>Murakami</b>	<b>NU61</b>	<b>1</b>	<b>EACH</b>	<b>4,760.00</b>
<b>Notes:</b>					
<b>GR-MUR-201217-</b> <b>Time Bokan- Camouflage Pink</b>	<b>Murakami</b>		<b>1</b>	<b>EACH</b>	<b>3,960.00</b>
<b>Notes:</b>					

10

**MORTGAGE LOAN COMMITMENT**

OCM MTG #	19-1660	DATE	24-Sep-19
TO	STEVEN KING	AT	Ottawa-Carleton Mortgage Inc.

Mortgage Broker Licence #M11002072

Your application for a loan to be secured by a mortgage on the property hereinafter referred to has been approved based upon and subject to the accuracy of the information furnished to us in connection with your application. Should there be any material change in your financial circumstances, this commitment will become null and void. This commitment is not transferable and the benefit may not be assigned.

MORTGAGOR(S)	1948387 Ontario Ltd.
GUARANTOR(S)	Amanda White and Paul Reichheld
MAILING ADDRESS	3495 Torwood Drive, Ottawa ON K0A 1T0
PROPERTY ADDRESS	255 Ste-Anne Avenue, Ottawa ON K1L 7C3
Legal Description	Detached Lot 60, 81 and part of Lot 62 Plan 246

TYPE OF MORTGAGE	LOAN AMOUNT	INTEREST RATE	MONTHLY PAYMENT	TERM
FIRST	\$ 600,000.00	8.50%	\$ 4,250.00 \$ 1,250.00 \$ 5,500.00 interest only + taxes monthly	1 YEAR  from the IAD
ANTICIPATED FUNDING DATE*	INTEREST ADJUSTMENT DATE "IAD"	FIRST MONTHLY PAYMENT	MATURITY DATE	
03-Oct-18	01-Nov-19	01-Dec-19	01-Nov-20	

Should this transaction close before the anticipated funding date, interest will be charged from the date of closing. Should this transaction be extended, for any reason, interest will be charged from the anticipated funding date. Should this mortgage not fund for any reason, all fees are due and payable.

**PAYMENTS :** The mortgagor is to supply an executed pre-authorized payment authorization and void cheque from the account where payments will be drawn.

<b>TAXES :</b>	We will require written confirmation that property taxes are paid in full for 2019 for the subject property. It is understood that Ottawa-Carleton Mortgage Inc. will collect \$ 1,250.00 per month, for property taxes which amounts will be held in a non-interest bearing trust account. It is further understood that by paying \$ 1,250.00 per month when property taxes come due next year we will not have sufficient funds to cover the taxes. The borrower hereby acknowledges that any fees and penalties charged by the City are the borrowers responsibility. The borrower may at any time make a lump sum payment for property taxes to either the City or OCM for the deficit owing. There will be a tax holdback in the amount of \$6,250.00
----------------	---

**FIRE/HAZARD INSURANCE :** With a Canadian Insurance Company and not an off-shore company, for an amount of the full Guaranteed Replacement Cost with the lender's interest noted and proof of paid up premium for full year, for subject property.

**I/WE ACCEPT THIS COMMITMENT** and post with your company the Non-refundable deposit and agree to forfeit such amount as liquidated damages, if because of my/our default for any reason, the Charge/Mortgage is not advanced on or before the Anticipated Funding Date, Providing the Charge/Mortgage is advanced fully on or before the Anticipated Funding Date, the Non-Refundable Deposit will be applied towards the Mortgage Set-Up Fee/Lender Fee. We require your bank draft/ certified cheque in the amount of \$3,500.00 on acceptance of this commitment.

SIGNED AT Ottawa THIS 26 DAY OF SEPT 2019

1948387 Ontario Ltd.

1948387 Ontario Ltd.

I/We have the authority to bind the Corporation

  
Amanda White - guarantor

  
Paul Reichheld - guarantor

SEE PAGES 2 & 3, AND APPENDIX "A"

**MORTGAGE LOAN COMMITMENT**

PAGE 2

OCM MTG # :	19-1660
MORTGAGOR(S) :	1948387 Ontario Ltd.
PROPERTY ADDRESS :	255 Ste-Anne Avenue, Ottawa ON K1L 7C3

**LEGAL/ APPRAISAL** The applicant will pay all legal and appraisal fees incurred with respect to the loan and in complying with the provisions stated herein, whether or not the loan is completed.

<b>SOLICITOR :</b>	The legal work on our behalf will be done by:	
	OCMI Lawyer Brian Roach - Soloway Wright LLP 700-427 Laurier Avenue West Ottawa ON K1R 7Y2 All legal fees & disbursements will be borne by the borrower	Borrower Lawyer Martin Black 102-1770 Courtwood Crescent Ottawa ON K2C 2B6

**TITLE :** It is understood that the advance of funds shall be made subject to the solicitor preparing the mortgage deed, examining title and reporting everything to be satisfactory and, also, to our legal counsel being satisfied with all aspects of the transaction. **Satisfactory Title Insurance**

**EXPIRY :** This mortgage loan offer is null and void if not advanced by 03-Oct-19

**OTHER CONDITIONS :** 1. The mortgage will contain a sales restriction clause.

- |  |   |   |
|--|---|---|
| 2. A. The amount of \$250.00 representing the Refundable Inspection fee once closed. | B. The amount of \$12,000.00 representing the Non-refundable Lender's fee<br>\$ 3,500.00 paid herein<br>\$ 8,500.00 deducted from advance | C. The amount of \$12,000.00 representing the Non-refundable Brokers' fee to be deducted from the advance |
|--|---|---|

3. The lender shall be in receipt of the following prior to the advance of any funds, which shall be satisfactory to the lender and its solicitor:  
 An executed Borrower Disclosure disclosing all fees associated with this mortgage and cost of borrowing

4. Transmittal Letter from McLean, Simon & Associates confirming "fair market value" of subject property and that Ottawa-Carleton Mortgage Inc. and Evergreen Mortgage Corp may use the appraisal dated July 22, 2019 for mortgage purposes

5. Signed PAC, satisfactory void cheque and signed waiver/acceptance of mortgage insurance.

**6. Property Taxes for the Subject Property:**

- a) Satisfactory written confirmation, by way of tax certificate, confirming all 2019 property taxes are been paid in full. There will be a tax holdback in the amount of \$6,250.00
- b) Satisfactory water certificate from the City of Ottawa confirming there are no water arrears and account is in good standing.

7. Broker to provide two pieces of satisfactory legible piece of identification, (DRIVERS LICENSE /Passport) with a clear picture, date of birth and client's signature, for all participants of this transaction.

8. Are you a GST/HST Registrant?	1948387 Ontario Ltd.	<input checked="" type="checkbox"/>	YES	<input checked="" type="checkbox"/>	NO
Are you a GST/HST Registrant?	Amanda White	<input checked="" type="checkbox"/>	YES	<input checked="" type="checkbox"/>	NO
Are you a GST/HST Registrant?	Paul Reichheld	<input checked="" type="checkbox"/>	YES	<input checked="" type="checkbox"/>	NO

If you answered yes to the above, we require satisfactory GST/HST NOA from all participants indicating their HST is paid in full, said confirmation must be satisfactory to OCMI and its solicitors. If you answer no you will be required to sign an affidavit stating you and/or your company(ies) are not HST registrants.

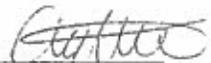
**I/WE ACCEPT THIS COMMITMENT** and post with your company the Non-refundable deposit and agree to forfeit such amount as liquidated damages, if because of my/our default for any reason, the Charge/Mortgage is not advanced on or before the Anticipated Funding Date, Providing the Charge/Mortgage is advanced fully on or before the Anticipated Funding Date, the Non-Refundable Deposit will be applied towards the Mortgage Set-Up Fee/Lender Fee. We require your bank draft/ certified cheque in the amount of \$3,500.00 on acceptance of this commitment.

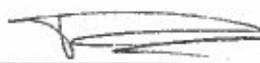
SIGNED AT OTTAWA THIS 26 DAY OF SEPT 2019

1948387 Ontario Ltd.

1948387 Ontario Ltd.

I/We have the authority to bind the Corporation

  
 Amanda White - guarantor

  
 Paul Reichheld - guarantor

SEE PAGES 1 & 3, AND APPENDIX "A"

**MORTGAGE LOAN COMMITMENT**

PAGE 3

OCM MTG # :	19-1660
MORTGAGOR(S) :	1948387 Ontario Ltd.
PROPERTY ADDRESS :	255 Ste-Anne Avenue, Ottawa ON K1L 7C3

9. The lender shall require the following documents for the Corporation which must be satisfactory to OCM and its solicitor

- a) Signed and Completed Corporate documents enclosed
- b) Certificate of Status
- c) Any other Corporate documents which may be necessary.

Independent Legal Advice for any officer, director or shareholder of the Corporation, which may be necessary.

10. After reviewing corporation documents, our Solicitor may deem necessary for any and/or all of the guarantors to receive Independent Legal Advice (ILA). If so, same must be obtained and signed by both the guarantor and the Solicitor providing the ILA, at borrowers expense, and in a form acceptable to our solicitor.

11. Satisfactory written confirmation the following will be paid with funds from the advance from lawyer's trust account.

1. RBC Loans \$ 790,000.00 Approx. Pay in Full & Discharge

b) It is our understanding the borrower has sufficient funds to cover the difference of what is advanced and what is required to be paid on closing.

c) Borrowers lawyer to provide satisfactory written confirmation there is no second mortgage on the subject property and the borrowers will provide the remainder of funds to payout the RBC Loans

12. If applicable, copies of Leases or letter from tenant(s) with name, address & home & work phone numbers & amount of monthly rent.

13. If applicable, First General Assignment of Rents relating to the charged property registered in the Land Registry Office and under the *Personal Property Security Act, 1990* for a term of 5 years, as required by the lender's solicitor for subject property.

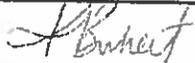
14. If there are any changes requested to this commitment an additional fee of \$150.00 will apply and be immediately due and payable.

15. If there are any private mortgages registered on title and being repaid, we require satisfactory signed discharge(s) prior to closing.

16. Any other conditions/clauses our Solicitor deems necessary.

**THIS MORTGAGE COMMITMENT IS GIVEN BY OTTAWA-CARLETON MORTGAGE INC. AS REPRESENTATIVE AND TRUSTEE FOR THE LENDER(S) AGREEING TO FUND THE MORTGAGE INDICATED IN THE STATEMENT OF MORTGAGE. OTTAWA-CARLETON MORTGAGE INC. DISCLAIMS ANY RESPONSIBILITY FOR A DEFAULT BY THE LENDER(S) IN COMPLETING THE MORTGAGE TRANSACTION.**

OTTAWA-CARLETON MORTGAGE INC., TRUSTEE  
 MORTGAGE BROKERAGE LICENCE # 10419  
 MORTGAGE ADMINISTRATOR LICENCE # 11207



PER: **Kathy Bochart, Controller**  
 Mortgage Broker Licence # M08000397

I/WE ACCEPT THIS COMMITMENT and post with your company the Non-refundable deposit and agree to forfeit such amount as liquidated damages, if because of my/our default for any reason, the Charge/Mortgage is not advanced on or before the Anticipated Funding Date, Providing the Charge/Mortgage is advanced fully on or before the Anticipated Funding Date, the Non-Refundable Deposit will be applied towards the Mortgage Set-Up Fee/Lender Fee. We require your bank draft/ certified cheque in the amount of \$3,600.00 on acceptance of this commitment.

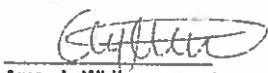
SIGNED AT OTTAWA. THIS 26 DAY OF SEPT. 2019

1948387 Ontario Ltd.

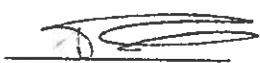
1948387 Ontario Ltd.



I/We have the authority to bind the Corporation



Amanda White - guarantor

Paul Reichheld - guarantor

SEE PAGES 1 & 2, AND APPENDIX "A"

APPENDIX "A" TO FORM AN INTEGRAL PART OF THIS MORTGAGE LOAN COMMITMENT

OCM MTG # :	19-1660
MORTGAGOR(S) :	1948387 Ontario Ltd.
PROPERTY ADDRESS :	265 Ste-Anne Avenue, Ottawa ON K1L 7C3

The borrower warrants and represents that the subject property/properties has/have not been insulated with Urea Formaldehyde Foam Insulation. The borrower guarantees that this warranty will not merge on closing and will survive same and will continue in full force and effect thereafter.

The borrower and lender hereby acknowledge, confirm and agree that the funds committed by the lender to the borrower pursuant to this mortgage commitment are not intended to be utilized for the purposes of securing financing of any improvements whatsoever with regard to the property on the security of which the funds will be advanced pursuant to this loan commitment, nor for the purposes of repaying any financing, mortgage or otherwise, which was utilized or intended for the financing of an improvement with regard to the subject property(ies), and accordingly, it is not the intention for the security to be taken pursuant to this commitment to be a "Building Mortgage" within the definition of the *Construction Act* or a mortgage taken out to repay a "Building Mortgage" within the meaning of the *Construction Act*.

Definitions

"Charge" means Ottawa-Carleton Mortgage Inc. and those individuals and/or entities represented and otherwise having an interest as lender in the subject loan secured by this Charge.

"Maturity Date" means, subject to early maturity by reason of the occurrence of a default and the acceleration of the repayment date of the Charge at the option of the Chargee, the last payment date as agreed by the Chargor and the Chargee as set out in this Charge or any renewal thereof.

Prepayment Privilege

Provided that the Chargor is not in default hereunder and this Charge is otherwise in good standing, the Chargor shall have the privilege at any time after the date on which interest is adjusted and prior to the Maturity Date of prepaying the whole of the principal sum secured upon payment of the greater of:

- a. Three months' interest on the whole of the principal sum at the interest rate set out herein and payable at the time of prepayment; or
- b. The full amount of any reasonable costs, losses, expenses, or charges incurred or suffered by the Mortgagee as a result of such prepayment

In the event of non-payment of the full principal amount on the Maturity Date, including early maturity by reason of the occurrence of an event of default and the acceleration of the repayment date of the Charge at the option of the Chargee, the Chargee shall be entitled and the Chargor agrees to pay (in addition to the other administrative and collection fees and costs set out herein) an administrative fee equal to three month's interest on the full unpaid principal amount.

If the Chargor requests a registerable discharge the Chargor agrees to pay all legal fees and expenses (as between solicitor and chargor) in relation to the preparation, execution and registration of said discharge.

Renewal

Renewal fees will be charged to the Chargor by the Chargee if and when a renewal of this Charge is offered by the Chargee to the Chargor. The renewal fee will be a minimum of 1% of the principal sum and will be due and payable by the Chargor to the Chargee immediately at the time of renewal of this Charge. The amount of the renewal fee is at the sole discretion of the Chargee and it may be higher than noted above. A renewal of a charge is only offered by the Chargee on charges that are not in default and that have been paid as contracted and agreed, and again, at the Chargee's sole and unfettered discretion. In addition, the Chargor agrees that any and all unpaid renewal fees payable by the Chargor to the Chargee in relation to this Charge shall be immediately added to the principal of this Charge upon execution of any renewal agreement relating to this Charge and shall form part of the Charge upon the charged property.

Default Administrative and Servicing Fees

In the event of any default, including non-payment of any monies due at the time or times provided in the charge, non-payment of the full principal amount on the Maturity Date and early maturity by reason of the occurrence of an event of default and the acceleration of the repayment date of the Charge at the option of the Chargee, the Chargor agrees to pay to the Chargee all costs, charges, expenses, and legal fees (as between Solicitor and client) incurred or suffered by the Chargee in relation to any activities and proceedings taken in connection with the collection or attempted collection of the monies due, or protection or realization of the security given in the Charge, including, and not less than:

NSF cheque or stop payment	\$	200.00	per occurrence
Inspection Fee	\$	150.00	per inspection
Insurance Placement Fee-plus insurance premium	\$	1,500.00	per placement of insurance
Property Maintenance and Security	\$	200.00	per day
Collection fee for the broker and lender	\$	400.00	per hour
Other General Administration Services	\$	200.00	per hour

The Chargor acknowledges and agrees that all said fees and costs agreed to be paid in the event of default, are not a penalty and represent a reasonable estimate of liquidated damages for the loss of use of the funds, administrative costs in connection with the delayed payment, the additional cost of reinvesting the funds when received and the additional cost and loss of time and effort involved in enforcing the terms of the Charge after default, and furthermore agrees that all said payments, fees and costs shall be added to the principal of the Charge and form part of the Charge upon the lands.

1948387 Ontario Ltd.

1948387 Ontario Ltd.

  
 I/We have the authority to bind the Corporation

  
 Amanda White - guarantor

  
 Paul Reichheld - guarantor

## John Haralovich

---

**From:** Amanda White <amanda.y.white@live.com>  
**Sent:** October 7, 2019 1:17 PM  
**To:** John Haralovich  
**Subject:** Letter

**CAUTION:** This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.  
**MISE EN GARDE:** Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Hi John,

Let me know if this is sufficient.

Amanda

To Whom it may concern,

I Shallja Verma am prepared to fund Paul Reichheld of Manray Glass and Aluminum Inc up to \$65,000.

  
Signature

07 / 10 / 2019  
DD/MM/YY

Sent from my iPhone

1

1

## John Haralovich

---

**From:** Christian Asselin <christianasselin@rogers.com>  
**Sent:** October 1, 2019 11:43 PM  
**To:** John Haralovich  
**Cc:** 'Paul Reichheld'; 'Amanda White'  
**Subject:** RE: RE: Approved

**CAUTION:** This email originated from outside of the MNP network. Be cautious of any embedded links and/or attachments.  
**MISE EN GARDE:** Ce courriel ne provient pas du réseau de MNP. Méfiez-vous des liens ou pièces jointes qu'il pourrait contenir.

Dear Mr Haralovich:

As indicated to you I was outside the region until now. I am taking few minutes to reiterate that I am a contractor working for Manray Glass. I have no authority on the management of the business and I am just doing the bookkeeping. I am doing my best to assist you. I will appreciate that you considered this point in your communication with Amanda, Paul or any other third party. It is also my understanding that Mr Reichheld is working to allow Manray Glass & Aluminum to be able to pay fully all the suppliers including the Royal Bank.

Based on information received from Mr. Reichheld, all the employees have been fully paid. You have the detail of the employee pay except for the week of Sept 19 and 26. I have provided additional information below:

- 1) **West Way Machinery.** I never received a sale invoice. This is why it was not recorded in the book. The client informed me in March 2019 that the equipment was sold to Aerlock and paper will be sent to me when MGA will have the money to pay Aerlock for some material purchase. Paul informed me the sale for the equipment was for \$100,000 + HST (this amount is included in the list of receivable). I have no document to support it. Also MGA owes \$150,497.92 to Aerlock as per Mr. Reichheld. I have not received any document to support it.
- 2) **Accounts payables:** I want to confirm that I have no invoices for the payables. The expenses during the year are recorded on a cash basis. I received the purchase invoice only when paid. At year end Paul provided me with a list of payable. The list you ask me to prepare is based on a discussion with Paul.
- 3) **Payroll deduction for September.** This amount is due October 15, 2019. I could not prepare the return since you have all the remittance form. You will have to complete it. In summary:

The total salary for September is:	\$18,807.12
Number of employees:	3
EI Payable:	\$585.43
CPP Payable:	\$1781.04
Federal income Tax Payable:	\$ 4160.26
Total	\$ 6,526.73

- 4) **In addition the WSIB** should also be paid for the period of July to September before October 30, 2019. I can submit the return if you want. Please confirm  
The total taxable salary for the period is: \$47,405.80  
WSIB payable for the period \$2,010.01 (\$47,405.80\*4.24%)
- 5) **For the receivable** I will forward you the invoice Paul sent to me. I never obtained the contracts and project completion certificates and therefore I am not able to provide them. You could yourself try to revise the list previously provided with the list from SAGE50. I prepared the list based on a conversation with Paul. He should be able to explain to you the differences.
- 6) **For the HST file,** as previously indicated to you, Paul will give you the file.

*Christian Asselin, CPA, CA, CMA, CFE*

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Summerside PE C1N 6A2

0010795

**Notice details**

<b>Business number</b>	81227 7614 RT0001
<b>Period covered</b>	Apr 1, 2019 - Jun 30, 2019
<b>Date issued</b>	Aug 2, 2019

MANRAY GLASS AND ALUMINUM INC.  
41 VANHURST PL  
OTTAWA ON K1V 9Z7

**Notice of assessment for goods and services tax/harmonized sales tax (GST/HST)**

This notice explains the results of our assessment of your GST/HST return(s).  
The amount you need to pay is **\$48,075.32**.

Thank you,

Bob Hamilton  
Commissioner of Revenue

**Account summary**

Previous payments may not appear if they have not been processed. If you have already paid the balance owing, please ignore this request.

**Total balance: \$48,075.32**

**Get the CRA BizApp**

CRA BizApp lets you view:

- account transactions;
- expected GST/HST returns; and
- the status of filed returns.

For more information, go to [canada.ca/cra-biz-app](http://canada.ca/cra-biz-app).

MANRAY GLASS AND ALUMINUM INC.

**Notice details**

<b>Business number</b>	81227 7614 RT0001
<b>Period covered</b>	Apr 1, 2019 - Jun 30, 2019
<b>Date issued</b>	Aug 2, 2019

**GST/HST assessment****Results**

This notice explains the results of our assessment of the GST/HST return(s) received on July 30, 2019, for the period shown above.

Description	\$ Amount	CR
Result of this assessment	47,945.34	
Previous balance		129.98
<b>Total balance</b>	<b>48,075.32</b>	

To view your up-to-date account information, including payment transactions, go to [canada.ca/my-cra-business-account](http://canada.ca/my-cra-business-account).

We may take legal action to collect debts that you do not pay voluntarily.

For more information, please see the "Summary" and "Explanation of changes and other important information" sections of this notice.

Please keep this notice of assessment for your records.

MANRAY GLASS AND ALUMINUM INC.

**Notice details**

<b>Business number</b>	81227 7614 RT0001
<b>Period covered</b>	Apr 1, 2019 - Jun 30, 2019
<b>Date issued</b>	Aug 2, 2019

**Summary**

Reporting Period: Apr 1, 2019 - Jun 30, 2019

Reference Number: 19211005032370647

**Sales and other revenue**

Line	Description	\$ Amount	CR
101	Sales and other revenue	615,273.34	

**Balance calculation**

Line	Description	\$ Amount	CR
105	Total GST/HST and adjustments	79,985.53	
108	Total ITCs and adjustments	32,055.95	CR
109	<b>Net tax assessed</b>	<b>47,929.58</b>	
	Arrears interest	15.76	
	<b>Result of assessment</b>	<b>47,945.34</b>	

**Explanation of changes and other important information**

We processed your GST/HST return for the period ending June 30, 2019 .

We charged arrears interest because you did not pay the amount owing by the due date.





Summerside PE C1N 5Z7

0010797

### Remittance details

Business number	81227 7614 RT0001
Date issued	Aug 2, 2019

MANRAY GLASS AND ALUMINUM INC.  
41 VANHURST PL  
OTTAWA ON K1V 9Z7

### How do you pay?

You can pay:

- online or by phone using a Canadian financial institution's services
- online at [canada.ca/cra-my-payment](http://canada.ca/cra-my-payment)
- online by setting up a pre-authorized debit agreement at [canada.ca/my-cra-business-account](http://canada.ca/my-cra-business-account)
- in person with your remittance voucher at your Canadian financial institution or, for a fee, at a Canada Post retail outlet (cash or debit only)

Note: There is a QR code printed on your remittance voucher that contains all the information required to make your payment with cash or debit at a Canada Post retail outlet.

For more information on how to make a payment, go to [canada.ca/payments](http://canada.ca/payments).

### Need more time to pay?

If you cannot pay in full and would like more information, go to [canada.ca/cra-collections](http://canada.ca/cra-collections).

To discuss a payment arrangement, call the CRA at 1-877-477-5068, Monday to Friday (except holidays) from 7:00 a.m. to 11:00 p.m., Eastern time.



Canada Revenue Agency

Agence du revenu du Canada

Protected B when completed

### Goods and Services Tax/Harmonized Sales Tax Amount Owing Remittance Voucher Pay online or at your financial institution

Business Name  
MANRAY GLASS AND ALUMINUM

Business Number  
81227 7614 RT 0001

20 7



Privacy Act,  
Personal Information Bank number CRA PPU 047

Amount owing (\$)  
48,075.32

Amount paid

[Empty box for amount paid]

RC159 E (18)X

2020020020000700812277614RT00010000000000048075322020025





## GST/HST NETFILE - confirmation

Your return has been successfully filed.

Your confirmation number is: **355608**.

Thank you for using GST/HST NETFILE.

Business number: **812277614 RT0001**

Business name: **MANRAY GLASS AND ALUMINUM INC.**

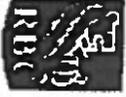
Reporting period: **2019-04-01 to 2019-06-30**

Filing date: **2019-07-30**

Payment due date: **2019-07-31**

Line 101 - Sales and other revenue	\$615,273.34
Line 135 - Total GST/HST new housing rebates (included in line 108)	\$0.00
Line 136 - Deduction for pension rebate amount (included in line 108)	\$0.00
Line 105 - Total GST/HST and adjustments for period	\$79,985.53
Line 108 - Total ITCs and adjustments	\$32,055.95
Line 109 - Net tax	\$47,929.58
Line 110 - Instalments and other annual filer payments	\$0.00
Line 111 - Rebates (note: rebate forms must be mailed separately)	\$0.00
Line 205 - GST/HST due on purchases of real property or purchases of emission allowances	\$0.00
Line 405 - Other GST/HST to be self-assessed	\$0.00
Line 114 - Refund claimed	\$0.00
Line 115 - Amount owing	\$47,929.58

Have you signed up for My Business Account? In addition to filing your GST/HST return and being able to view your correspondence online, you can view account balances, adjust prior returns, and much more.



Royal Bank Of Canada  
 236 RICHMOND RD  
 OTTAWA, ON  
 K1Z 6N6

Transaction Record

Transit: 03234  
 Date: 07 Oct 2019  
 Time: 09:32:38

Reference #: 5192803435933103234  
 Client Card #: 451903\*\*\*\*\*3

Withdrawals  
 01108 505-\*\*\*-6 50778.86 CAD  
 Other Payments  
 Miscellaneous 2501.38 CAD  
 Miscellaneous 48277.48 CAD  
 Account Balances

1 du revenu  
 ada

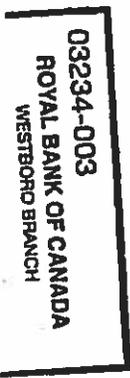
0011195

Remittance details

Business number	76554 8292 RT0001
Date issued	Jun 1, 2017

Canadian financial institution's services  
 ent service at [www.cra.gc.ca/mypayment](http://www.cra.gc.ca/mypayment)  
 uthorized debit agreement through My Business Account at  
 saccount  
 financial institution with the remittance voucher  
 . make a payment, go to [www.cra.gc.ca/payments](http://www.cra.gc.ca/payments).

ay?  
 uld like more information, go to [www.cra.gc.ca/collections](http://www.cra.gc.ca/collections).  
 nent, call the CRA at 1-877-477-5068, Monday to Friday (except holidays)  
 assem time.



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## GST/HST NETFILE - confirmation

Your return has been successfully filed.

Your confirmation number is: 399316.

Thank you for using GST/HST NETFILE.

Business number: 812277614 RT0001

Business name: **MANRAY GLASS AND ALUMINUM INC.**

Reporting period: 2019-07-01 to 2019-09-30

Filing date: 2019-10-08

Payment due date: 2019-10-31

Line 101 - Sales and other revenue	\$159,625.00
Line 135 - Total GST/HST new housing rebates (included in line 108)	\$0.00
Line 136 - Deduction for pension rebate amount (included in line 108)	\$0.00
Line 105 - Total GST/HST and adjustments for period	\$20,751.25
Line 108 - Total ITCs and adjustments	\$3,923.76
Line 109 - Net tax	\$16,827.49
Line 110 - Instalments and other annual filer payments	\$0.00
Line 111 - Rebates (note: rebate forms must be mailed separately)	\$0.00
Line 205 - GST/HST due on purchases of real property or purchases of emission allowances	\$0.00
Line 405 - Other GST/HST to be self-assessed	\$0.00
Line 114 - Refund claimed	\$0.00
Line 115 - Amount owing	\$16,827.49

Have you signed up for My Business Account? In addition to filing your GST/HST return and being able to view your correspondence online, you can view account balances, adjust prior returns, and much more.

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

T: 613.236.0111 | 1.866.207.5880  
F: 613.238.8507  
[www.solowaywright.com](http://www.solowaywright.com)

**André A. Ducasse**  
Partner

Direct line: 613.782.3225  
Email address: [aducasse@solowaywright.com](mailto:aducasse@solowaywright.com)

FILE NO: 52064-1005

**BY EMAIL**

October 8, 2019

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

Dear Mr. Haralovich:

**Re: Vetting for Manray Glass and Aluminum Inc. (the "Company")**

Further to your request, I have reviewed the loan and security documentation with respect to the above-noted matter.

**Scope of Review**

We have reviewed the Credit Facilities and the Security (as defined below) generally to identify any of the documents or any registrations which do not appear complete and regular on their face or which appear to raise other problems.

In conducting our review, (unless otherwise noted), we have assumed that:

- (a) the persons signing the Credit Facilities and the Security on behalf of the Company were the authorized incumbent officers at the time and that their signatures are genuine;
- (b) any copies of documents which we received are authentic and conform to the originals;
- (c) the standard form documents used by the Bank are effective to create legal, valid and binding security and other obligations in its favour in accordance with their terms; and

---

Ottawa Office  
700 – 427 Laurier Avenue West, Ottawa ON K1R 7Y2  
T: 613.236.0111 | 1.866.207.5880 | F: 613.238.8507

Kingston Office  
510 – 366 King Street, Kingston ON K7K 6Y3  
T: 613.544.7334 | 1.800.263.4257 | F: 1.800.263.4213

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- (d) there are no agreements to which the Company or its principals are parties which might impair their ability to grant the Security or perform their obligations under the Security.

We have not conducted any searches with respect to the Company and, accordingly, we are not in a position to provide any opinions as to corporate status or title to property.

### **The Credit Facilities**

We have been provided with an RBC loan agreement dated June 23, 2017, which provides for the following facilities (the "Credit Facilities"):

- a \$375,000 revolving demand facility available by way of RBP based loans (at RBP + 2.5%); and
- a Visa business facility to a maximum amount of \$20,000.

The Credit Facilities were executed by Paul Reichheld on June 27, 2017 in his capacity as the Company's president.

We have also been provided with an RBC Visa Business Card Agreement signed by Mr. Reichheld on behalf of the Company on March 12, 2015 in his capacity as the Company's president.

The Credit Facilities provide that they are to be secured by the following:

- a General Security Agreement (the "GSA"), providing for a security interest in the Company's personal property;
- a Guarantee and Postponement of Claim in the amount of \$175,000 signed by Mr. Reichheld (the "Reichheld Guarantee");
- a Guarantee and Postponement of Claim in the amount of \$395,000 signed by 1948387 Ontario Ltd. (the "Corporate Guarantee"); and
- a Postponement and Assignment of Claim signed by Mr. Reichheld (the "Postponement").

For convenience, the security instruments detailed above are hereinafter collectively referred to as the "Security".

### **The Bank's Security**

We have been provided with two copies of the GSA, one dated July 14, 2009 and the other dated November 16, 2010. It appears that the GSA was signed by Mr. Reichheld on behalf of the Company since the signature on the GSA is consistent in appearance with his signature on other instruments.

The results of our search of the *Personal Property Security Act* ("PPSA") Registry confirm that the Bank's security interest in the Company's assets pursuant to the GSA was perfected by registration on August 14, 2008, which registration currently expires on August 14, 2023. The Bank's collateral identified in the PPSA search results are inventory, equipment, accounts and "other". For your convenience, we attach hereto the results of our search of the PPSA Registry dated February 14, 2019. The only other PPSA registration is a lease with respect to a 2018 Land Rover.

The Reichheld Guarantee is dated July 7, 2014 and was executed by Mr. Reichheld whose signature was duly witnessed by Ross Gilchrist, the Bank's account manager. Pursuant to this guarantee, Mr. Reichheld personally guaranteed the Company's liabilities (whether present or future) to the Bank pursuant to the Credit Facilities in the maximum amount of \$175,000, plus interest accrued from the date of demand (at RBP + 5.0%) as well as costs. The Reichheld Guarantee further provides that all of the Company's liabilities to Mr. Reichheld are postponed in favour of the Bank.

The Corporate Guarantee is dated June 27, 2017 and appears to have been executed by Mr. Reichheld on behalf of the corporate guarantor, 1948387 Ontario Ltd. ("194 Ltd."). Pursuant to this guarantee, 194 Ltd. guaranteed the Company's liabilities (whether present or future) to the Bank pursuant to the Credit Facilities in the maximum amount of \$395,000, plus interest accrued from the date of demand (at RBP + 5.0%) as well as costs. The Corporate Guarantee further provides that all of the Company's liabilities to 194 Ltd. are postponed in favour of the Bank.

The Postponement was executed September 4, 2012. It was executed by Mr. Reichheld on his own behalf and appears to have been executed by him on behalf of the Company as well.

### **Opinion**

Subject to the comments made above, all of the loan and security documentation with which we have been provided appears to have been executed by Mr. Reichheld, on his own behalf and on behalf of the Company. In this regard, all of his signatures appear to be relatively consistent in appearance on all of the loan and Security instruments. Since the Bank may be required to prove the identity and authority of the persons signing these documents if they were ever disputed, it would have been preferable that the names and titles of the persons signing be inserted in each of the instruments and initialled by the persons who signed the originals. In the case of the Company, however, since Mr. Reichheld appears to have been a principal of the Company at all material times, and held himself out as such and as having the authority to bind the Company, and that all of his signatures are consistent in appearance, these omissions would not likely affect the validity of the Bank's Security. Further, the corporate profile report for the Company and 194 Ltd. confirm that Mr. Reichheld is a registered director of each of the companies.

Subject to the comments made above, the Credit Facilities and Security appear to have been properly executed and enforceable in accordance with their terms in the event of default.

---

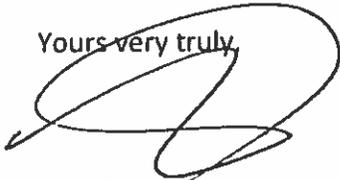
**General Qualifications**

The enforceability of the Security is also subject to the following qualifications which arise under laws of general application:

- (a) The effect of any applicable bankruptcy, insolvency, reorganization, preference, moratorium, liquidation or similar laws relating to or affecting creditors rights generally;
- (b) The equitable and statutory powers of the courts to stay proceedings before them;
- (c) The execution of judgments and equitable remedies, such as specific performance and injunctions, which are available only at the discretion of a court of competent jurisdiction;
- (d) The equitable and statutory powers of the courts to relieve against penalties of mortgagors and to impose such terms with respect to them as the court sees fit; and
- (e) The powers of a receiver being circumscribed by or subject to the review of the court.

I trust the foregoing is satisfactory and please do not hesitate to contact me should you wish to further discuss this matter.

Yours very truly,



André A. Ducasse  
AAD/rrc

Encls.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
SEARCH RESULTS

Date Search Conducted: 2/14/2019

File Currency Date: 02/13/2019

Family(ies): 2

Page(s): 5

SEARCH : Business Debtor : MANRAY GLASS AND ALUMINUM INC.

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
SEARCH RESULTS

Date Search Conducted: 2/14/2019  
File Currency Date: 02/13/2019  
Family(ies): 2  
Page(s): 5

SEARCH : Business Debtor : MANRAY GLASS AND ALUMINUM INC.

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 5  
SEARCH : BD : MANRAY GLASS AND ALUMINUM INC.

00 FILE NUMBER : 647727525 EXPIRY DATE : 14AUG 2023 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20080814 1043 1529 5538 REG TYP: P PPSA REG PERIOD: 5  
02 IND DOB : IND NAME:  
03 BUS NAME: MANRAY GLASS AND ALUMINUM INC.

04 ADDRESS : 105 GLEBE AVENUE OCN :  
CITY : OTTAWA PROV: ON POSTAL CODE: K1S 2C2  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
ROYAL BANK OF CANADA

09 ADDRESS : 630 RENE LEVESQUE W 1ST FL  
CITY : MONTREAL PROV: PQ POSTAL CODE: H3B 1S6  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 X X X X  
YEAR MAKE MODEL V.I.N.

11  
12  
GENERAL COLLATERAL DESCRIPTION

13  
14  
15  
16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 5  
SEARCH : BD : MANRAY GLASS AND ALUMINUM INC.

FILE NUMBER 647727525

PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 01 OF 001 MV SCHED: 20130606 1455 1531 2144  
21 REFERENCE FILE NUMBER : 647727525  
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: MANRAY GLASS AND ALUMINUM INC.

25 OTHER CHANGE:  
26 REASON:  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEE:  
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS  
17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 2 ENQUIRY PAGE : 3 OF 5  
SEARCH : BD : MANRAY GLASS AND ALUMINUM INC.

FILE NUMBER 647727525  
PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 01 OF 001 MV SCHED: 20180713 1444 1530 2847  
21 REFERENCE FILE NUMBER : 647727525  
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: MANRAY GLASS AND ALUMINUM INC.

25 OTHER CHANGE:  
26 REASON:  
27 /DESCR:  
28 :  
02/05 IND/TRANSFEEB:  
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:  
CITY: PROV: POSTAL CODE:  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS  
17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 2 OF 2 ENQUIRY PAGE : 4 OF 5  
SEARCH : BD : MANRAY GLASS AND ALUMINUM INC.

00 FILE NUMBER : 740726379 EXPIRY DATE : 20JUN 2020 STATUS :  
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20180620 1416 1219 8953 REG TYP: P PPSA REG PERIOD: 02  
02 IND DOB : IND NAME:  
03 BUS NAME: MANRAY GLASS AND ALUMINUM INC.

OCN :  
04 ADDRESS : 255 ST. ANNE AVENUE  
CITY : OTTAWA PROV: ON POSTAL CODE: K1L 5N4  
05 IND DOB : 28SEP1963 IND NAME: PAUL REICHEL  
06 BUS NAME:

OCN :  
07 ADDRESS : 3495 TORWOOD DR.  
CITY : DUNROBIN PROV: ON POSTAL CODE: K0A 1T0

08 SECURED PARTY/LIEN CLAIMANT :  
CANADIAN DEALER LEASE SERVICES INC.

09 ADDRESS : 372 BAY STREET, SUITE 1800  
CITY : TORONTO PROV: ON POSTAL CODE: M5H 2W9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 X X X 132045  
YEAR MAKE MODEL V.I.N.  
11 2018 LAND ROVER RANGE ROVER SPORT SALWV2RESJA199475

12  
GENERAL COLLATERAL DESCRIPTION  
13 OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE  
14 AND THE PROCEEDS OF THOSE VEHICLES

15  
16 AGENT: D+H LIMITED PARTNERSHIP (BNS)  
17 ADDRESS : 2 ROBERT SPECK PARKWAY, 15TH FL  
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L4Z 1H8

FAMILY : 2 OF 2 ENQUIRY PAGE : 5 OF 5  
SEARCH : BD : MANRAY GLASS AND ALUMINUM INC.

00 FILE NUMBER : 740726379 EXPIRY DATE : 20JUN 2020 STATUS :  
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :  
REG NUM : 20180620 1416 1219 8953 REG TYP: REG PERIOD:  
02 IND DOB : IND NAME:  
03 BUS NAME: OCN :

04 ADDRESS :  
CITY : PROV: POSTAL CODE:  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :  
07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
BANK OF NOVA SCOTIA - DLAC  
09 ADDRESS : 44 KING STREET W, SCOTIA PLAZA  
CITY : TORONTO PROV: ON POSTAL CODE: M5H 1H1  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION  
13  
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15  
16 AGENT:  
17 ADDRESS :  
CITY : PROV: POSTAL CODE:

15



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

T: 613.236.0111 | 1.866.207.5880  
F: 613.238.8507  
[www.solowaywright.com](http://www.solowaywright.com)

**André A. Ducasse**  
Partner

Direct line: 613.782.3225  
Email address: [aducasse@solowaywright.com](mailto:aducasse@solowaywright.com)

FILE NO: 52064-1005

**BY EMAIL**

October 8, 2019

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

Dear Mr. Haralovich:

**Re: Vetting for 1948387 Ontario Ltd. (the "Company")**

Further to your request, I have reviewed the loan and security documentation with respect to the above-noted matter.

**Scope of Review**

We have reviewed the Credit Facilities and the Security (as defined below) generally to identify any of the documents or any registrations which do not appear complete and regular on their face or which appear to raise other problems.

In conducting our review, (unless otherwise noted), we have assumed that:

- (a) the persons signing the Credit Facilities and the Security on behalf of the Company were the authorized incumbent officers at the time and that their signatures are genuine;
- (b) any copies of documents which we received are authentic and conform to the originals;
- (c) the standard form documents used by the Bank are effective to create legal, valid and binding security and other obligations in its favour in accordance with their terms; and

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**Ottawa Office**

700 – 427 Laurier Avenue West, Ottawa ON K1R 7Y2  
T: 613.236.0111 | 1.866.207.5880 | F: 613.238.8507

**Kingston Office**

510 – 366 King Street, Kingston ON K7K 6Y3  
T: 613.544.7334 | 1.800.263.4257 | F: 1.800.263.4213

---

- (d) there are no agreements to which the Company or its principals are parties which might impair their ability to grant the Security or perform their obligations under the Security.

We have not conducted any searches with respect to the Company and, accordingly, we are not in a position to provide any opinions as to corporate status or title to property.

### **The Credit Facilities**

We have been provided with an RBC loan agreement dated June 20, 2016, as amended by amending agreement dated December 21, 2016, which provides for the following facilities (the "Credit Facilities"):

- a fixed rate term facility in the amount of \$400,000 repayable by consecutive monthly payments of \$2,326, including interest (at 3.53%) based on a 240 month amortization. All outstanding principal and interest is payable in full at the end of the 36 month term; and
- a variable term facility in the amount of \$250,000 repayable by consecutive monthly principal payments of \$6,944 plus interest (at RBP + 2.0%) based on a 36 month amortization. All outstanding principal and interest is payable in full at the end of the 36 month term.

The Credit Facilities were executed by Paul Reichheld on June 21, 2016 and December 23, 2016 in his capacity as the Company's president.

The Credit Facilities provide that they are to be secured in part by the following:

- a General Security Agreement (the "GSA"), providing for a security interest in the Company's personal property;
- a Guarantee and Postponement of Claim in the amount of \$400,000 signed by Mr. Reichheld (the "First Reichheld Guarantee");
- a Guarantee and Postponement of Claim in the amount of \$250,000 signed by Mr. Reichheld (the "Second Reichheld Guarantee");
- a Guarantee and Postponement of Claim in the amount of \$400,000 signed by Manray Glass and Aluminum Inc. (the "First Corporate Guarantee");
- a Guarantee and Postponement of Claim in the amount of \$250,000 signed by Manray Glass and Aluminum Inc. (the "Second Corporate Guarantee"); and
- a first-ranking collateral mortgage (the "Mortgage") in the principal amount of \$400,000 encumbering title to the property municipally known as 255 Ste. Anne Avenue, Ottawa, Ontario (the "Property").

---

For convenience, the security instruments detailed above are hereinafter collectively referred to as the "Security".

### **The Bank's Security**

The GSA is dated December 23, 2016 and was signed by Mr. Reichheld on behalf of the Company.

The results of our search of the *Personal Property Security Act* ("PPSA") Registry confirm that the Bank's security interest in the Company's assets pursuant to the GSA was perfected by registration on December 21, 2016, which registration currently expires on December 21, 2021. The Bank's collateral identified in the PPSA search results are inventory, equipment, accounts and "other". The Bank is the Company's sole registered secured creditor. For your convenience, we attach hereto the results of our search of the PPSA Registry dated February 14, 2019.

The First Reichheld Guarantee is dated June 21, 2016 and was executed by Mr. Reichheld whose signature was duly witnessed by Ross Gilchrist, the Bank's account manager. Pursuant to this guarantee, Mr. Reichheld personally guaranteed the Company's liabilities (whether present or future) to the Bank pursuant to the Credit Facilities in the maximum amount of \$400,000, plus interest accrued from the date of demand (at RBP + 5.0%) as well as costs. The First Reichheld Guarantee further provides that all of the Company's liabilities to Mr. Reichheld are postponed in favour of the Bank.

The Second Reichheld Guarantee is dated December 23, 2016 and was executed by Mr. Reichheld whose signature was duly witnessed by Ross Gilchrist, the Bank's account manager. Pursuant to this guarantee, Mr. Reichheld personally guaranteed the Company's liabilities (whether present or future) to the Bank pursuant to the Credit Facilities in the maximum amount of \$250,000, plus interest accrued from the date of demand (at RBP + 5.0%) as well as costs. The Second Reichheld Guarantee further provides that all of the Company's liabilities to Mr. Reichheld are postponed in favour of the Bank.

The First Corporate Guarantee is dated June 21, 2016 and appears to have been executed by Mr. Reichheld on behalf of the corporate guarantor, Manray Glass and Aluminum Inc. ("Manray Inc."). Pursuant to this guarantee, Manray Inc. guaranteed the Company's liabilities (whether present or future) to the Bank pursuant to the Credit Facilities in the maximum amount of \$400,000, plus interest accrued from the date of demand (at RBP + 5.0%) as well as costs. The First Corporate Guarantee further provides that all of the Company's liabilities to Manray Inc. are postponed in favour of the Bank.

The Second Corporate Guarantee is dated December 23, 2016 and appears to have been executed by Mr. Reichheld on behalf of Manray Inc. Pursuant to his guarantee, Manray Inc. guaranteed the Company's liabilities (whether present or future) to the Bank pursuant to the Credit Facilities in the maximum amount of \$250,000, plus interest accrued from the date of demand (at RBP + 5.0%) as well as costs. The Second Corporate Guarantee further provides that all of the Company's liabilities to Manray Inc. are postponed in favour of the Bank.

The Mortgage was registered against title to the Property as Instrument No. OC1799916 on June 28, 2016 and secures the principal amount of \$400,000, along with interest and costs. For your convenience, we enclose a copy of the parcel register for the Property, along with a copy of the said instrument, which confirm that the Bank's mortgage was duly registered against title to the Property and is a first-ranking mortgage.

### **Opinion**

Subject to the comments made above, all of the loan and security documentation with which we have been provided appears to have been executed by Mr. Reichheld, on his own behalf and on behalf of the Company. In this regard, all of his signatures appear to be relatively consistent in appearance on all of the loan and Security instruments. Since the Bank may be required to prove the identity and authority of the persons signing these documents if they were ever disputed, it would have been preferable that the names and titles of the persons signing be inserted in each of the instruments and initialled by the persons who signed the originals. In the case of the Company, however, since Mr. Reichheld appears to have been a principal of the Company at all material times, and held himself out as such and as having the authority to bind the Company, and that all of his signatures are consistent in appearance, these minor omissions would not likely affect the validity of the Bank's Security. Further, the corporate profile report for the Company confirms that Mr. Reichheld is a registered director of the Company.

Subject to the comments made above, the Credit Facilities and Security appear to have been properly executed and are valid and enforceable in accordance with their terms in the event of default.

### **General Qualifications**

The enforceability of the Security is also subject to the following qualifications which arise under laws of general application:

- (a) The effect of any applicable bankruptcy, insolvency, reorganization, preference, moratorium, liquidation or similar laws relating to or affecting creditors rights generally;
- (b) The equitable and statutory powers of the courts to stay proceedings before them;
- (c) The execution of judgments and equitable remedies, such as specific performance and injunctions, which are available only at the discretion of a court of competent jurisdiction;
- (d) The equitable and statutory powers of the courts to relieve against penalties of mortgagors and to impose such terms with respect to them as the court sees fit; and
- (e) The powers of a receiver being circumscribed by or subject to the review of the court.

I trust the foregoing is satisfactory and please do not hesitate to contact me should you wish to further discuss this matter.

Yours very truly,

A handwritten signature in black ink, consisting of a large, stylized loop that starts on the left, goes up and over, then down and under, ending on the left side.

André A. Ducasse  
AAD/rrc

Encls.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
SEARCH RESULTS

Date Search Conducted: 2/14/2019

File Currency Date: 02/13/2019

Family(ies): 1

Page(s): 1

SEARCH : Business Debtor : 1948387 ONTARIO LTD.

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
SEARCH RESULTS

Date Search Conducted: 2/14/2019  
File Currency Date: 02/13/2019  
Family(ies): 1  
Page(s): 1

SEARCH : Business Debtor : 1948387 ONTARIO LTD.

FAMILY : 1 OF 1 ENQUIRY PAGE : 1 OF 1  
SEARCH : BD : 1948387 ONTARIO LTD.

00 FILE NUMBER : 723564387 EXPIRY DATE : 21DEC 2021 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20161221 1438 1530 8026 REG TYP: P PPSA REG PERIOD: 5  
02 IND DOB : IND NAME:  
03 BUS NAME: 1948387 ONTARIO LTD.

04 ADDRESS : 3495 TORNOOD DRIVE OCN :  
CITY : OTTAWA PROV: ON POSTAL CODE: K0A 1T0  
05 IND DOB : IND NAME:  
06 BUS NAME:

07 ADDRESS : OCN :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
BANQUE ROYALE DU CANADA

09 ADDRESS : 1 PVM - 2E ETAGE, AILE EST  
CITY : MONTREAL PROV: QC POSTAL CODE: H3C 3A9  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
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YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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15  
16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS  
17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8



ServiceOntario

LAND  
REGISTRY  
OFFICE 14

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

04232-0010 (LT)

PAGE 1 OF 3  
PREPARED FOR: 04/06/2008  
ON 2019/07/14 AT 11:31:19

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CHARGES ONLY \*

PROPERTY DESCRIPTION: LOTS 60 & 61 & PT LT 62, PL 246, AS IN H2273436; VANIER/GLOUCESTER

PROPERTY REGIME:  
ESTATE/CHARGE/EM  
SEE SIMPLE  
IF CONVERSION QUALIFIED

RECENTLY:  
FIRST CONVERSION FROM BOOK 168

PIN CREATION DATE:  
1997/02/24

OWNER'S NAME:  
194830 ONTARIO LTD.

CAPACITY SHARE:  
NONE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	VARIES FROM	PARTIES TO	CERT/ CHRG
<p>**EFFECTIVE 3000/07/28 THE DURATION OF THE BLOCK IMPLEMENTATION DATE OF 1997/02/24 ON THIS PIN**</p> <p>**HAS REPLACED WITH THE "PIN CREATION DATE" OF 1997/02/24**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND RELATED INSTRUMENTS SINCE 1997/02/21 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO</p> <p>** SUBSECTION 4 (1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO MIGHT, NOT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LEGITS OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1997/02/24**</p>						
V22334	1992/07/26	LEASE		*** DELETED AGAINST THIS PROPERTY ***	PRECISION HYDRAULICS LIMITED	
V22335	1992/07/26	CHANGE		*** COMPLETELY DELETED ***	INDUSTRIAL DEVELOPMENT BANK	
REMARKS: LEASE						
H247412	1979/03/19	LEASE		*** DELETED AGAINST THIS PROPERTY ***	LUX, STEPHEN LUX, WILLIAM TAM, VI CHENG CBAN, NET NO	
H241377	1984/06/01	TRANSFER		*** COMPLETELY DELETED ***	CESARCO, SAFFRID	

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



ServiceOntario

LAND  
REGISTRY  
OFFICE 06

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

04232-0010 (L7)

PAGE 2 OF 3  
PREPARED FOR edarsoch  
ON 2019/02/14 AT 11:31:10

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	COST/ CHGR
H0241720	1984/06/01	CHARGE		*** COMPLETELY DELETED ***	CESARIO, TERESA	
H005513	1989/09/29	CONSTRUCTION LIEN		*** COMPLETELY DELETED ***	ROYAL TRUST CORPORATION OF CANADA	
H063125	1993/06/24	ASSIGNMENT GENERAL		*** COMPLETELY DELETED ***		
OC394077	2006/05/29	APL OF SURV-LAND		*** COMPLETELY DELETED *** CESARIO, SANBIO	CESARIO, TERESA	
OC394080	2006/05/29	TRANSFER		*** COMPLETELY DELETED *** CESARIO, TERESA	CESARIO, TERESA BORTON, ANNA CESARIO, ALBINO	
OC1703470	2016/02/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL TRUST CORPORATION OF CANADA		
		REMARKS: H0241720.				
OC1703317	2016/04/29	APL (GENERAL)		*** COMPLETELY DELETED *** CESARIO, TERESA BORTON, ANNA CESARIO, ALBINO		
OC1703321	2016/04/29	APL (GENERAL)		*** COMPLETELY DELETED *** CESARIO, TERESA BORTON, ANNA CESARIO, ALBINO		
		RE MARKS: DELETING V22334 AND H047482				
OC1700904	2016/06/17	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		RE MARKS: V22335.				
OC1700905	2016/06/17	APL (GENERAL)		*** COMPLETELY DELETED *** CESARIO, TERESA BORTON, ANNA CESARIO, ALBINO		
		RE MARKS: DELETE H063125				

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



LAND  
REGISTRY  
OFFICE #4

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

04217-0030 (171)

PAGE 3 OF 3  
PREPARED FOR J-Access  
ON 2019/07/14 AT 11:31:19

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

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHG
OC1799915	2016/04/28	TRANSFER	5575,000	BOSTON, ADNA CESARIO, ALBINO CESARIO, TEPCSA	194887 ONTARIO LTD.	C
		REMARKS: PLANNING ACT STATEMENTS.				
OC1799916	2016/05/18	CHARGE	5575,000	194887 ONTARIO LTD.	194887 ONTARIO LTD.	C

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

LRO # 4 Charge/Mortgage

Received as OC1789916 on 2016 06 28 at 12:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 2

**Properties**

**PIN** 04232 - 0030 LT **Interest/Estate** Fee Simple  
**Description** LTS 80 & 81 & PT LT 62, PL 248 , AS IN NS273498 ; VANIER/GLOUCESTER  
**Address** 255 STE. ANNE  
OTTAWA

**Chargor(s)**

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

**Name** 1848387 ONTARIO LTD.  
**Address for Service** 3495 Torwood Avenue,  
Ottawa, Ontario  
K0A 1T0

I, Paul Charles Reichheld, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

**Chargee(s)**

**Capacity**

**Share**

**Name** ROYAL BANK OF CANADA  
**Address for Service** 1 Place Ville-Marie, 2nd Floor, East Wing  
Montreal, Quebec  
H3C 3A8

**Provisions**

**Principal** \$ 400,000.00 **Currency** CDN  
**Calculation Period**  
**Balance Due Date**  
**Interest Rate** Prime Rate Plus 5% per annum  
**Payments**  
**Interest Adjustment Date**  
**Payment Date**  
**First Payment Date**  
**Last Payment Date**  
**Standard Charge Terms** 20015  
**Insurance Amount** full insurable value  
**Guarantor**

**Signed By**

**Stephen Irwin Goldberg** 400-200 Elgin Street acting for Signed 2016 06 27  
Ottawa Chargor(s)  
K2P 1L5  
**Tel** 613-594-8000  
**Fax** 613-235-7578

I have the authority to sign and register the document on behalf of the Chargor(s).

LRO # 4 Charge/Mortgage

Received as OC1799916 on 2016 06 28 at 12:57

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 2

**Submitted By**

STEPHEN I GOLDBERG LAW OFFICE

400-200 Elgin Street  
Ottawa  
K2P 1L5

2016 06 28

Tel 613-594-8000

Fax 613-235-7578

**Fees/Taxes/Payment**

Statutory Registration Fee \$62.85

Total Paid \$62.85

**File Number**

Charger Client File Number : 11078

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## Account Information

October 3, 2019

## MANRAY GLASS AND

**Assets****Total Assets: \$0.00**

Chequing / Savings	Ownership	Overdraft Limit	Balance
C/A/REG - 00006 1138916	Sole Owner	0	0.00
<b>Total:</b>			<b>\$0.00</b>

Investments	Ownership	Maturity Date	Balance
GIC - 00720122295	Sole Owner		0.00
<b>Total:</b>			<b>\$0.00</b>

**Liabilities****Total Liabilities: \$371,751.50**

Credit Cards	Ownership	Limit	Balance
4516050003174194	Joint or	2,000	0.00
4516050006062131	Joint or	2,000	0.00
4516070003598630	Joint or	10,000	0.00
<b>Total:</b>			<b>\$0.00</b>

Loans / Mortgages	Ownership	Insurance Protection			Maturity Date	Balance
		Life	Critical Illness	Disability		
RCL - 06972 19582790 003	Sole Owner	Declined	Not Offered	Call ISC		351,726.77
DEMAND - 06972 19582790 005	Sole Owner	N/A	N/A	N/A		0.00
DEMAND - 06972 19582790 006	Sole Owner	N/A	N/A	N/A		0.00
DEMAND - 06972 19582790 007	Sole Owner	N/A	N/A	N/A		4,493.99
DEMAND - 06972 19582790 008	Sole Owner	N/A	N/A	N/A		2,078.35
DEMAND - 06972 19582790 009	Sole Owner	N/A	N/A	N/A		2,779.80
		N/A	N/A	N/A		909.65

Loans / Mortgages	Ownership	Insurance Protection			Maturity Date	Balance
		Life	Critical Illness	Disability		
DEMAND - 06972 19582790 010	Sole Owner					
DEMAND - 06972 19582790 011	Sole Owner	N/A	N/A	N/A		1,265.60
DEMAND - 06972 19582790 012	Sole Owner	N/A	N/A	N/A		2,729.70
DEMAND - 06972 19582790 013	Sole Owner	N/A	N/A	N/A		5,767.64
<b>Total:</b>						<b>\$371,751.50</b>

## Additional Services

Account Type	Ownership	Balance
ACR - 00002 286060900 002	Sole Owner	338,236.15
ACR - 00002 286060900 004	Sole Owner	0.00
ACR - 00002 286060900 005	Sole Owner	0.00
ACR - 00002 286060900 006	Sole Owner	0.00
ACR - 00002 286060900 007	Sole Owner	0.00

### Please Note:

#### Royal Mutual Funds

This Account Information is provided to you for information purposes only and is not an official statement of your balances at Royal Mutual Funds Inc. (RMFI). RMFI cannot verify the accuracy of the balances above relating to products bought or held outside of RMFI and/or its affiliates. Some of the balances shown may be held by RMFI affiliates where they are not covered by the MFDA Investor Protection Corporation (MFDA IPC). Please consult the official statement(s) you receive from RMFI to determine which positions are eligible for protection by the MFDA IPC. Any investments described above may be held with Royal Bank of Canada, Royal Trust Corporation, The Royal Trust Company, Royal Mutual Funds Inc. or RBC Direct Investing Inc., which are separate corporate entities which are affiliated. RMFI is licensed as a financial services firm in the province of Quebec.

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## Account Information

October 3, 2019

## 1948387 ONTARIO LTD

**Assets****Total Assets: \$0.00**

Chequing / Savings	Ownership	Overdraft Limit	Balance
C/A/REG - 00006 1042548	Sole Owner	0	0.00
<b>Total:</b>			<b>\$0.00</b>

Investments	Ownership	Maturity Date	Balance
There are no items to be displayed.			

**Liabilities****Total Liabilities: \$399,024.92**

Credit Cards	Ownership	Limit	Balance
There are no items to be displayed.			

Loans / Mortgages	Ownership	Insurance Protection			Maturity Date	Balance
		Life	Critical Illness	Disability		
DEMAND - 06972 23576755 001	Sole Owner	Ineligible	Ineligible	Call ISC	Jun 28, 2019	356,140.26
DEMAND - 06972 23576755 002	Sole Owner	Ineligible	Ineligible	Call ISC	Jan 4, 2020	42,884.66
<b>Total:</b>						<b>\$399,024.92</b>

**Additional Services**

Account Type	Ownership	Balance
ACR - 00002 180777328 001	Sole Owner	352,771.51
ACR - 00002 180777328 002	Sole Owner	42,058.53
ACR - 00002 180777328 003	Sole Owner	0.00

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**MNP LTD., RECEIVER RE:  
MANRAY GLASS AND ALUMINUM INC. and 1948387 ONTARIO INC.**

**INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD SEPTEMBER 17, 2019 TO OCTOBER 8, 2019**

**Receipts:**

Cash on hand	\$	81,785
Collection of accounts receivable		182,744
Other refunds		-
		264,529

**Disbursements:**

Filing fee		70
License fee		311
Consultant		559
Deemed trust claim		-
Legal fees		-
Receiver fees and expenses		-
HST paid		-
Payment to secured creditor		-
		940

**Excess of Receipts over Disbursements** **\$ 263,589**

**Summary of Transaction closing**

**Represented by:**

Mortgage funds		576,000
Verma advance		65,000
Employee Source Deductions		(6,527)
HST		(16,827)
Projected Legal Fees and Disbursements		(33,427)
Projected Receivership fees		(33,900)
Projected mortgage discharge costs		(1,500)
Projected Payment to Secured Creditor		(770,776)
		(221,957)

**Projected Contingency Surplus** **\$ 41,632**