

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**CWB MAXIUM FINANCIAL INC.**

**Applicant**

- and -

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**Respondents**

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY  
ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF  
JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**MOTION RECORD  
(returnable August 29, 2024)**

August 22, 2024

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Court-Appointed Receiver**

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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**CWB MAXIUM FINANCIAL INC.**

**Applicant**

- and -

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PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**Respondents**

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A	Receivership Order dated April 19, 2024
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C	Redacted Asset Purchase Agreement dated July 19, 2024
D	Receiver's Statement of Receipts and Disbursements for the period April 19, 2024 to August 19, 2024
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5.	Draft Order (Ancillary Relief)

# **TAB 1**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**CWB MAXIUM FINANCIAL INC.**

**Applicant**

- and -

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**Respondents**

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY  
ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF  
JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

**NOTICE OF MOTION  
(Approval and Vesting Order)**

MNP Ltd., in its capacity as court-appointed receiver (the “**Receiver**”) without security, of all of the assts, undertakings, and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”), Total Health Pharmacy Inc. (“**Total Health**”), Ghada Sandra Mohsen Gerges (“**Ghada**”), and Sherif Gerges (“**Sherif**”), will make a motion to a judge presiding over the Superior Court of Justice at Ottawa, (the “**Court**”) on Thursday, August 29, 2024, at 10:00 a.m., or as soon after that time as the motion can be heard.

**THE PROPOSED METHOD OF HEARING:**

- ☐ In writing under subrule 37.12.1 (1) because it is (insert one of on consent, unopposed or made without notice);
- ☐ In writing as an opposed motion under subrule 37.12.1 (4);

- ☐ In person;
- ☐ By telephone conference;
- ☒ **BY VIDEO CONFERENCE.**

**THE MOTION IS FOR:**

1. An order:
  - (a) approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**Sale Agreement**”) between the Receiver and Joseph Saad and Maged Daoud, in trust for a corporation to be incorporated (“the “**Purchaser**”) dated July 19, 2024; and
  - (b) vesting in the Purchaser all of the Debtor’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), free and clear of all claims and encumbrances other than permitted encumbrances, upon delivery of a certificate by the Receiver to the Purchaser;
  - (c) approving the first report of the Receiver (the “**First Report**”) and the activities of the Receiver described in the First Report;
  - (d) authorizing and directing the Receiver to make the proposed Distributions as described in the First Report
  - (e) sealing the confidential appendices to the First Report pending completion of the Transaction or further order of the Court;
2. such further and other relief that the Receiver may request and this Honourable Court may consider just.

**THE GROUNDS FOR THE MOTION ARE:****Background**

3. The Receiver was appointed by Order of this Court on April 19, 2024 (the “**Appointment Order**”).
4. The Debtor’s business is a pharmacy located at 2865 Riverside Drive, Ottawa, Ontario.
5. Paragraph 3 of the appointment order authorizes the Receiver, among other things, to market and sell any or all of the Property (as defined therein), 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.
6. The marketing and sale process (the “**Sale Process**”) carried out by the Receiver as described in the First Report culminated in the Sale Agreement.

**The Sale Agreement Approval**

7. The Receiver recommends approval of the Sale Agreement for the following reasons:
  - (a) the Sales Process was conducted in accordance with the Soundair test;
  - (b) the Transaction contemplated by the Sale Agreement represents the highest and best offer for the Purchased Assets (as defined therein) and is in the best interests for all stakeholders of the Debtor; and
  - (c) the Applicant, as senior secured lender to the Debtor supports the approval of the Transaction.

**Proposed Distributions**

8. If the Sale Agreement is approved and the sale of the Property to the Purchaser is completed, the Receiver seeks the Court's approval to make the Distributions as described in the First Report.

9. The Receiver has obtained a legal opinion confirming that the security held by the secured creditors in respect of the Purchased Assets and the proceeds thereof are valid and enforceable, subject to certain assumptions and qualifications typically included in opinions provided to trustees or receivers in insolvency proceedings.

**Sealing Order**

10. The Confidential Appendices to the First Report contain confidential and commercially sensitive information, which, if disclosed, would be harmful and materially prejudicial to the receivership estate and stakeholders in the event of any further marketing of the Property if the Transaction does not close for any reason.

11. The Receiver recommends that the Confidential Appendices be sealed pending closing of the Transaction.

**Other**

12. Rules 2.03, 3.02, 16.01 and 37 of the *Rules of Civil Procedure* (Ontario).
13. Such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:**

14. The First Report.
15. Such further and other material as counsel may advise and this Honourable Court may permit.

July 26, 2024

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**CWB MAXIUM FINANCIAL INC.**

**- and -**

**MEDICAL ARTS DISPENSARY OF  
OTTAWA (2003) LTD. ET AL.**

Applicant

Respondents

Court File No. CV-24-00095422-0000

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**

Proceedings commenced at OTTAWA

**NOTICE OF MOTION**

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SUPERIOR COURT OF JUSTICE**

**B E T W E E N:**

**CWB MAXIUM FINANCIAL INC.**

**APPLICANT**

**AND**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**RESPONDENTS**

**FIRST REPORT OF MNP LTD., AS COURT-APPOINTED RECEIVER OF  
MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD.**

**DATED AUGUST 22, 2024**

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## **APPENDICES**

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Appendix “D”	Receiver’s Statement of Receipts and Disbursements
Appendix “E”	Affidavit of John Haralovich
Appendix “F”	Affidavit of David Im

## **CONFIDENTIAL APPENDICES**

Confidential Appendix “1”	Bid Summary
Confidential Appendix “2”	Unredacted Asset Purchase Agreement dated July 19, 2024

## INTRODUCTION AND BACKGROUND

1. On April 19, 2024 (“**Date of Appointment**”), upon the application of CWB Maxium Financial Inc. (“**CWB**”), MNP Ltd. (“**MNP**”) was appointed as receiver (the “**Receiver**”) over all of the assets, property and undertaking of Medical Arts Dispensary of Ottawa (2003) Ltd. (“**Medical Arts**” or the “**Company**”) by Order of the Ontario Superior Court of Justice (the “**Court**”), a copy of which is attached hereto as **Appendix “A”** (the “**Receivership Order**”).
2. The Receivership Order together with other publicly available information have been posted to the Receiver’s website (the “**Case Website**”), which can be found at: <https://mnpdebt.ca/en/corporate/corporate-engagements/medical-arts-dispensary-of-ottawa-2003-ltd>. The Receiver has posted its contact information on the Case Website so that interested parties may contact the Receiver if they have questions with respect to the receivership proceedings.
3. Medical Arts, a company incorporated under the Ontario *Business Corporations Act*, R.S.O. 1990, c. B.16 carries on business as a pharmacy (the “**Business**”) from rented premises located at 2865 Riverside Drive, Ottawa, ON (the “**Premises**”). Medical Arts provides clinical and medical dispensing services for long term care and retirement residences. As of the Date of Appointment, Medical Arts was servicing one long term care home and one retirement residence, both located in Ottawa (the “**Service Contracts**”).
4. At the Date of Appointment, Sherif Gerges (hereafter “**Mr. Gerges**”) is the sole officer and director of Medical Arts. Maged Daoud (“**Mr. Daoud**”) is the Designated Manager of Medical Arts’ pharmacy operations.
5. The chart below outlines Medical Arts' secured debt obligations to CWB and McKesson Canada (“**McKesson**”), who are hereinafter collectively called the “**Secured Creditors**”, according to information included in CWB’s Application Record, and information provided to the Receiver by McKesson.

Secured Creditor	Estimated Claim
McKesson	\$ 100,680
CWB	\$1,947,830 (as at April 10, 2024)

6. Meridian OneCap Credit Corp. also has registered a security interest against specific equipment used in the Business. The Receiver's counsel has not reviewed Meridian OneCap Credit Corp.'s security at this time.

### PURPOSE OF THIS FIRST REPORT

7. The purpose of this First Report dated August 22, 2024 (the "**First Report**") is to, *inter alia*,
- (a) describe the Receiver's activities since the Date of Appointment;
  - (b) summarize the sale process implemented by the Receiver for the Assets and Business (the "**Sale Process**");
  - (c) summarize an Asset Purchase Agreement dated July 19, 2024 (the "**Purchase Agreement**") executed by Joseph Saad and Maged Daoud, in trust for a corporation to be incorporated, as purchaser (the "**Purchaser**") and the Receiver as vendor, pursuant to which the Purchaser will acquire certain assets (the "**Purchased Assets**"), as described further below;
  - (d) support the Receiver's request that this Court issue an order, *inter alia*:
    - i) approving the Purchase Agreement and authorizing the Receiver to take all steps necessary to complete the transaction for the purchase and sale of the Purchased Assets (as defined in the Purchase Agreement) as contemplated therein (the "**Transaction**");



- ii) vesting title in the Purchased Assets to the Purchaser free and clear of all claims and encumbrances upon closing of the Transaction;
- iii) approving the Receiver's activities to date, including the Receiver's Interim Statement of Receipts and Disbursements ("**R&D**");
- iv) approving the sealing of confidential appendices "1" and "2" to the First Report;
- v) approving the fees and disbursements of the Receiver and its counsel, Chaitons LLP;
- vi) approving this First Report and the Receiver's activities described herein; and
- vii) such other relief as the Court deems just.

#### **TERMS OF REFERENCE**

- 8. In preparing this First Report and making the comments herein, the Receiver has relied on the following information with respect to the Company: (i) information provided by CWB and its counsel; (ii) information provided by Canada Revenue Agency ("**CRA**"); (iii) information provided by the Company and its bookkeepers; (iv) information provided by McKesson; and (v) information otherwise made available or provided to the Receiver and/or its counsel (collectively, referred to as the "**Information**").
- 9. Except as described in this First Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.
- 10. Capitalized terms not defined in this First Report are as defined in the Receivership Order. All references to dollars are in Canadian currency unless otherwise noted.

#### **RECEIVER'S ACTIVITIES**

- 11. Since its appointment, the Receiver has carried out the following activities:

- (a) performed its statutory duties under the BIA and pursuant to the Receivership Order, including issuing the Notice and Statement of Receiver pursuant to s.245 and 246 of the *Bankruptcy and Insolvency Act*, registering the Receivership Order against the 2275 Daulton Drive, Mississauga property in accordance with paragraph 29 of the said order, establishing the Case Website, and informing CRA and Ontario College of Pharmacists (“OCP”) of its appointment;
- (b) retained Chaitons LLP as independent legal counsel;
- (c) reviewed Medical Arts’ books, records and documents, financial statements, tax filings and other relevant documents; and
- (d) as described in greater detail below, sought specific financial documents concerning an intercompany liability.

***Operational Issues and Stabilizing the Business***

- 12. After receiving the Receivership Order, the Receiver has operated and overseen Medical Arts’ business with the aim of maximizing returns for all stakeholders.
- 13. Medical Arts experienced a significant downsizing in its business operations, primarily due to a decrease in clientele. On the Date of Appointment, Medical Arts employed four (4) staff members.
- 14. As previously mentioned, Mr. Daoud served in the role of "Designated Manager," which is the pharmacist appointed to oversee the management of Medical Arts' pharmacy activities in accordance with the *Pharmacies Act*.
- 15. The employees were kept on by the Receiver to facilitate its mandate. Both before and following the Date of Appointment, Mr. Daoud has been engaged as an independent contractor with both the Company and the Receiver.
- 16. From the Date of Appointment, the Receiver has undertaken the following actions to secure the stability of the business:

- i. coordinated with primary suppliers to maintain the flow of goods and services, including pharmaceuticals, to the company;
- ii. communicated with clients of Medical Arts and their representatives; arranged for continued insurance on the Business; negotiated enhanced contractual terms with Mr. Daoud in order to incentivize him to remain the Designated Manager until the end of the receivership period;
- iii. paid payroll arrears;
- iv. obtained a \$52,000 loan from CWB on the security of the Receiver's Certificates (the “**Receiver’s Borrowings**”) for working capital including to cover outstanding employee wages; and managed the receipts and disbursements related to the operations.

#### **MARKETING EFFORTS OF THE RECEIVER**

- 17. Once the Receiver had stabilized the Company’s business operations, the Receiver’s focus shifted to developing and implementing the Sale Process with a view to maximize recoveries for Medical Arts’ creditors.
- 18. Pursuant to paragraph 3.j) of the Receivership Order, the Receiver was empowered and authorized to, among other things, market any and all of the Medical Arts’ assets.
- 19. In designing an appropriate sale process, the Receiver considered the following:
  - (a) the time required to market Medical Arts’ assets to maximize recovery;
  - (b) Medical Arts’ clients need for a replacement service provider on a timely basis;
  - (c) the small pool of potential buyers able to provide the top-quality healthcare that Medical Arts' clients expect under the Service Contracts;
  - (d) the inherent risks associated with continuing the Business due to its nature, which may include the requirement for additional capital to sustain the Business.

20. After considering the foregoing, the Receiver in consultation with the Secured Creditors developed the Sale Process described in Appendix “B”. A copy of the Sale Process implemented by the Receiver and given to all prospective bidders is attached hereto as **Appendix “B”**.
21. The key activities of the Receiver during the Sale Process included:
- (a) preparing a teaser letter (the “**Teaser**”) describing the opportunity, outlining the Sale Process, and inviting recipients of the Teaser to express their interest pursuant to the terms of the Sale Process;
  - (b) preparing a list of twelve (12) potential interested parties (each a “**Potential Bidder**”);
  - (c) drafting a non-disclosure and confidentiality agreement (an “**NDA**”) for execution by interested potential purchasers;
  - (d) gathering, creating and reviewing all due diligence materials that it determined to be relevant to interested parties and established a secure, electronic data room (the “**Data Room**”), which was maintained and administered by the Receiver throughout the Sale Process;
  - (e) sending the Teaser and NDA to all Potential Bidders on June 4, 2024 and to any other parties who responded to the Receiver and were determined to be qualified Potential Bidders;
  - (f) in addition to distributing the Teaser to the Potential Bidders, the Receiver:
    - i) shared the Teaser with 34 lawyers from 9 different law firms and 27 accountants across eight accounting firms, all serving clients in the health care industry, to facilitate distribution of the opportunity to their clients;
    - ii) posted the opportunity on its website and on LinkedIn;
    - iii) distributed the opportunity internally among the MNP’s partnership group; and

- iv) published notice of the opportunity on June 5, 2024 in Canadian Health Care Magazine's online newsletter directed to 45,718 doctors, healthcare managers and Pharmacy practitioners, respectively;
- (g) providing all Potential Bidders who had executed the NDA with access to the Data Room, which provided information and documents related to Medical Arts' assets and the Business; and
- (h) reminding Potential Bidders on July 3, 2024 that the deadline to submit their bids by July 9, 2024, and reached out to check if they had any further questions.

### ***Results of Sale Process***

- 22. The Sale Process led to twelve (12) parties executing an NDA and the presentation of five (5) offers (the "**Offers**").
- 23. The Receiver evaluated the Offers based on the purchase price, the terms and conditions, the familiarity with the Company's Business and clients, and the Purchaser's ability to close the Transaction and selected the Purchaser as the successful bidder.
- 24. The Receiver entered into exclusive negotiations with the Purchaser which led to the execution of the Purchase Agreement on July 19, 2024. A summary of the Offers is attached as Confidential Appendix "1" to the First Report. A copy of the unredacted Purchase Agreement is attached as Confidential Appendix "2" to the First Report.
- 25. A summary of the key terms of the Purchase Agreement are:

Purchase Price	A base price plus (i) the value of the Merchantable Inventory (at cost) at the Closing Date; and the Assumed Liabilities, plus taxes
Assets	<p>The Company's right, title and interest, if any, in:</p> <ul style="list-style-type: none"><li>• Merchantable Inventory (as defined in the Purchase Agreement)</li><li>• Subject to applicable laws, the Patient Records</li><li>• Fixed Assets</li></ul>

	<ul style="list-style-type: none"> <li>• Leasehold Improvements</li> <li>• Intellectual Property</li> <li>• The Purchased Contracts</li> <li>• Books and Records relating to the Purchased Assets; and</li> <li>• Goodwill and intangible assets associated with the Business and Purchased Assets</li> </ul>
Excluded Assets	<ul style="list-style-type: none"> <li>• Cash and cash equivalents</li> <li>• Accounts receivable (including all amounts due under the Ontario Drug Benefit Program)</li> <li>• Prepaid expenses</li> <li>• Insurance policies</li> <li>• Long term investments of the Business</li> <li>• Contracts that are not Purchased Contracts</li> </ul>
Conditions	<p>The conditions to closing include:</p> <ul style="list-style-type: none"> <li>• the Purchaser obtaining accreditation from the OCP;</li> <li>• the Purchaser obtaining a provider number from the Ontario Drug Benefit Plan (“<b>ODB</b>”)</li> <li>• Approval of the Court and the issuance of a vesting order</li> </ul>
Closing Date	Eleven (11) days, or such shorter period as the Purchaser may determine by notice in writing to the Receiver, after the date upon which the conditions are satisfied or waived
Outside Date	September 15, 2024, or such later date and time as the parties agree in writing
Purchased Contracts	Premises Lease, and potentially, certain equipment leases should the Purchaser elect to acquire the equipment lease(s) prior to Closing
Cure Costs	Purchaser is responsible for and shall pay any cure costs
OCP and ODB	Purchaser covenants, within 5 business days after the execution of the Purchase Agreement to apply to the OCP and ODB for the accreditation and provider number, respectively. The Receiver

	has confirmed with the OCP that it received the Purchaser's application.
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A redacted version of the Purchase Agreement is attached as **Appendix "C"**.

26. The Receiver recommends the Court approve the Transaction as outlined in the Purchase Agreement for these reasons:
- (a) it is the result of a competitive and fair sale process conducted by the Receiver;
  - (b) the Transaction will maximize the recovery for Medical Arts' creditors and other stakeholders, and will preserve the continuity of the Business for the benefit of the clientele and employees;
  - (c) it is commercially reasonable and in the best interests of Medical Arts' estate; and
  - (d) the Transaction is supported by CWB, Mr. Gerges and Ms. Mohsen Gerges.

#### **SEALING OF CONFIDENTIAL INFORMATION**

27. The Receiver is of the view that Confidential Appendices 1 and 2 should be filed with the Court on a confidential basis and sealed until the completion of the Transaction. Confidential Appendices 1 and 2 include commercially sensitive information, including the summary of offers received for Medical Arts' assets, and could prejudice the realization of maximum value from the sale of the Purchased Assets in the event the Transaction does not close. The Receiver does not believe that any party will be prejudiced if the information is sealed at this time. Accordingly, the Receiver believes the proposed sealing order is appropriate.
28. The Receiver has filed unredacted versions of the Offers, including the Purchase Agreement, with the Court as Confidential Appendices to provide the Court with the benefit of the information to allow the Court to determine whether it should approve the Purchase Agreement.

## **SECURED CREDITORS**

### ***Receiver's Borrowings***

29. The Receivership Order permitted the Receiver to borrow for receivership activities to a maximum of \$125,000 at any given time and granted a charge to secure the borrowed funds, inclusive of interest and other fees.
30. On May 2, 2024, the Receiver borrowed \$52,000 from CWB, which was subject to an interest rate of three (3) percent over the prevailing prime commercial lending rate.

### ***Canada Revenue Agency***

31. At the Date of Appointment, Medical Arts was in non-compliance with CRA in filing various HST returns from August 2023 (the “**Outstanding Returns**”) to the Date of Appointment.
32. Based on information from CRA, at the Date of Appointment, Medical Arts was indebted to CRA as follows:
  - (a) 2023 Unremitted employee source deductions in the amount of \$28,344.11; and
  - (b) 2024 Unremitted employee source deductions in the amount of \$14,503.49.
33. The Receiver filed the Outstanding Returns, which have been assessed and resulted in a refund claim of \$45,537.35. CRA is in the process of applying the refund claim against the unpaid source deductions claim.
34. The Receiver expects that once the HST refund is factored in, the CRA will not hold a priority claim. However, the Receiver plans to set aside a portion of the proceeds from the Transaction to cover any potential priority claims by CRA.

### ***CWB***

35. CWB claims to be owed \$1,947,830 plus interest and costs.



36. The Receiver is in the process of obtaining an independent legal opinion from Chaitons LLP, subject to typical assumptions and qualifications, to determine the validity and enforceability of CWB's security.

***McKesson***

37. McKesson is a pharmaceutical distributor that claims to be owed \$100,679.79 by Medical Arts.
38. The Receiver is in the process of obtaining an independent legal opinion from Chaitons LLP, subject to typical assumptions and qualifications, to determine the validity and enforceability of McKesson's security.

**INTERCOMPANY RECEIVABLES**

39. As previously mentioned, the Purchase Agreement does not include accounts receivable. The financial records of Medical Arts show, among other things, a related company receivable totaling \$2,254,271.
40. The Receiver has repeatedly sought additional details about the receivable from the related company by reaching out to Mr. Gerges and the bookkeepers of Medical Arts. However, a sufficient response has yet to be received. Therefore, the Receiver is unable to proceed with the collection of this debt.
41. The Receiver requires that Mr. Gerges, along with other parties deemed relevant by the Receiver, comply with its request to submit complete financial reporting for the related parties. This information includes accountant prepared financial statements, corporate income tax returns for every company with outstanding debts to Medical Arts.

**STATEMENT OF RECEIPTS AND DISBURSEMENTS**

42. The Receiver has prepared the R&D showing all receipts and disbursements from the Date of Appointment through to August 19, 2024. A copy of the R&D is attached as **Appendix "D"**.

43. The R&D reflects receipts over disbursements of \$55,950 excluding the deposit pursuant to the Purchase Agreement.

### **PROFESSIONAL FEES AND DISBURSEMENTS**

44. Pursuant to Paragraph 20 of the Receivership Order, the Receiver and counsel to the Receiver shall be paid their reasonable professional fees in each case at their standard rates and charges and the Receiver and counsel to the Receiver have been granted 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 as security for payment of the professional fees (the “**Receiver’s Charge**”).
45. Pursuant to Paragraphs 21 and 22 of the Receivership Order, the Receiver and Chaitons LLP shall pass their legal accounts as referred to this Court and is at liberty, from time to time, to apply reasonable amounts, out of the monies in its hands, against the professional fees, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its professional fees when and as approved by the Court.

### **Receiver’s Fees and Disbursements**

46. The Receiver has fees and disbursements for the period from April 19, 2024 to August 19, 2024, totalling \$148,253.70 exclusive of disbursements and HST. Attached as **Appendix “E”** is the affidavit of John Haralovich sworn August 20, 2024 describing the aforementioned fees of the Receiver.

### **Legal Fees and Disbursements**

47. Chaitons LLP has issued three (3) invoices covering its fees and disbursements for the period between April 20 2024 to July 31, 2024 totalling 25,358.40 inclusive of HST. Attached as **Appendix “F”** is the affidavit of David Im sworn August 20, 2024 describing the aforementioned fees and disbursements of Chaitons LLP.

48. It is the Receiver's opinion that the fees and disbursements of Chaitons LLP as described in the affidavit of David Im are fair and reasonable and justified in the circumstances, and accurately reflect the work done on behalf of the Receiver by Chaitons LLP.

#### **CONCLUSIONS AND RECOMMENDATIONS**

49. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief detailed in paragraph 7(d).

All of which is respectfully submitted on this 22nd day of August, 2024.

**MNP LTD.**

in its capacity as Court Appointed Receiver of  
Medical Arts Dispensary of Ottawa (2003) Ltd.

Per:



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Sheldon Title

## **Appendix “A”**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

FRIDAY, THE 19<sup>TH</sup>

JUSTICE REES

)

DAY OF APRIL, 2024

B E T W E E N:

CWB MAXIUM FINANCIAL INC.

Applicant

and

MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES and SHERIF  
GERGES

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY*  
ACT, R.S.C 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE*  
ACT, R.S.O. 1990, c. C.43, AS AMENDED

**ORDER  
(appointing Receiver)**

**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 Medical Arts Dispensary of Ottawa (2003) Ltd. (the "**Debtor**"), Total Health Pharmacy Inc. ("**Total Health**"), Ghada Sandra Mohsen Gerges ("**Ghada**"), and Sherif Gerges ("**Sherif**", and together with Ghada and Total Health are the "**Guarantors**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 161 Elgin Street, Ottawa, Ontario.



**ON READING** the Affidavit of Cameron Kerr, sworn April 16, 2024, and the Exhibits thereto and on hearing the submissions of counsel for Applicant; on being advised by counsel for the Applicant that the application was unopposed; on Ghada appearing in person; and on no one else appearing although duly served as appears from the Affidavit of Service of Victoria Gifford, sworn April 17, 2024, and on reading the Consent of MNP Ltd. to act as the Receiver, filed:

### **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 motion is properly returnable today and hereby dispenses with further service thereof.

### **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP Ltd. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, 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 Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the

Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$75,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;



- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

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

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons

acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

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

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any

Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

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

### **NO EXERCISE OF RIGHTS OR REMEDIES**

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

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

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

the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

13. **THIS COURT ORDERS** that, without limiting the generality of paragraph 12 herein, no insurer providing insurance to the Debtor or its directors or officers shall terminate or fail to renew such insurance on the existing terms thereof provided that such insurer is paid any premiums, as would be paid in the normal course, in connection with the continuation or renewal of such insurance at its current prices, subject to reasonable annual increases in the ordinary course with respect to such premiums.

14. **THIS COURT ORDERS** that with respect to Client Records, the Receiver shall: (i) take all steps reasonably necessary to maintain the integrity of the confidential aspects of the Client Records; (ii) if necessary, appoint a pharmacist licensed and qualified to practice in the Province of Ontario to act as custodian (the “**Custodian**”) for the Client Records; (iii) not allow anyone other than the Receiver or the Custodian to have access to the Client Records; and (iv) allow the Debtor supervised access to the Client Records for any purposes required pursuant to the *Regulated Health Professions Act, 1991*, the *Pharmacy Act, 1991*, the *Personal Health Information Protection Act, 2004*, *S.O. 2004, c. 3, Sched. A*, or any other governing Ontario or Canadian statute that requires the Debtor, from time to time, to perform certain obligations.

#### **RECEIVER TO HOLD FUNDS**

15. **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**

16. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

## **PIPEDA**

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

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

18. **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**

19. **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**

20. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

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

21. **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 of the Ontario Superior Court of Justice.

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

#### **FUNDING OF THE RECEIVERSHIP**

23. **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 \$125,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as



security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

24. **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.

25. **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.

26. **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**

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

orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://mnpdebt.ca/en/corporate/corporate-engagements>.

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

#### **GENERAL**

29. **THIS COURT ORDERS** that MNP Ltd. is hereby appointed as Receiver against the real property municipally described as 2275 Doulton Drive, Mississauga, Ontario, and further described in **Schedule "B"** to this Order (the "**Real Property**"), however, the Receiver's appointment is limited to the registration of this Order on title to the Real Property and to receive proceeds of sale from the Real Property, if the Real Property is sold. For greater certainty the Receiver shall not take possession of the Real Property without further Order of the Court and the Receiver shall not be required to deliver a notice pursuant to section 245 of the *Bankruptcy and Insolvency Act*.

30. **THIS COURT ORDERS** that the balance of the relief sought against the Guarantors is hereby adjourned *sine die*, returnable on seven (7) days notice.

31. **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.

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

33. **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.

34. **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.

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

36. **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.

37. **THIS COURT ORDERS** that this Order is effective from the date it is made, and is enforceable without any need for entry and filing.

**April 19, 2024**

A handwritten signature in black ink, appearing to read "Rees J.", is positioned above a horizontal line.

---

**Justice Owen Rees**

Issuance on April 22, 2024

**SCHEDULE "A"**  
**Receiver Certificate**

**CERTIFICATE NO.**

**AMOUNT \$**

1. **THIS IS TO CERTIFY** that MNP Ltd., the receiver (the "**Receiver**") of the assets, undertakings and properties Medical Arts Dispensary of Ottawa (2003) Ltd. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the 19<sup>th</sup> day of April, 2024 (the "**Order**") made in an action having Court file number CV-24-00095422-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the \_\_\_\_\_, day of April, 2024.

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

Per:

\_\_\_\_\_  
Name:

Title:

**SCHEDULE "B"**  
**Real Property**

The real property legally described as: PT LT 16 PL 331 TORONTO AS IN RO1036813; S/T & T/W RO1036813 ; MISSISSAUGA (PIN 13359-0185 (LT)), and municipally known as 2275 Doulton Drive, Mississauga, Ontario.

CWB MAXIUM FINANCIAL INC.  
Applicant

-and- MEDIAL ARTS DISPENSARY OF OTTAWA (2003) LTD. et al.  
Respondents

Court File No. CV-24-00095422-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
  
PROCEEDING COMMENCED AT  
**OTTAWA**

**ORDER**

**LERNERS LLP**

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Lawyers for the applicant



## **Appendix “B”**

## Sale Process

### Recitals

1. On April 19, 2024, pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (the “**Court**”), MNP Ltd. was appointed as receiver (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Company**”) acquired for or used in relation to a business carried on by the Company.
2. Pursuant to the Receivership Order, the Receiver is authorized to market any or all of the assets of the Company (the “**Assets**”), including advertising or soliciting offers in respect of any and all such Assets and negotiating such terms and conditions of sale as the Receiver may deem appropriate.
3. Set forth below is the sale process (the “**Sale Process**”) to be employed with respect to the proposal sale of the Assets. The purpose of the Sale Process is to seek offers for the purchase of all the Company’s Assets.
4. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day (a “**Business Day**” is any day, other than a Saturday or Sunday, on which banks are ordinarily open for business in Toronto, Ontario).

### Solicitation of Interest and Timeline

5. The following table sets out the key milestones under the Sale Process:

Milestone	Deadline
Publication of notice of the Sale Process	The week of June 3, 2024
Sending of Teaser Letter and Confidentiality and Non-Disclosure Agreement (“ <b>NDA</b> ”) to potential bidders	The week of June 3, 2024 (the “ <b>Sale Process Commencement</b> ”)
Due diligence (Data Room (defined below) access to be provided to bidders after the bidder delivers to the Receiver the signed NDA)	Between the Sale Process Commencement and the Qualified APA Deadline

Qualified APA Deadline for the Assets	July 9, 2024 (" <b>Qualified APA Deadline</b> ")
Selection of Successful Bid	Following the Qualified APA Deadline, the Receiver may accept one (or more, if for distinct transactions) Qualified APAs (the " <b>Successful Bid</b> " and each Qualified Bidder making the Successful Bid(s) being a " <b>Successful Bidder</b> ") and take such steps as are necessary to finalize and complete an agreement for the Successful Bid(s) with the Successful Bidder(s); or continue negotiations with a selected number of Qualified Bidders with a view to finalizing one or more agreements with one or more Successful Bidders.
Sale Approval Motion	As soon as reasonably practical, following selection of the Successful Bid(s) (as defined herein), subject to Court availability
Closing Transaction	Eleven (11) days following Court approval of the Successful Bid(s) or such date as the parties may agree
General	Subject to the terms contained herein, the dates set out in the Sale Process for the Assets may be extended by the Receiver, in its discretion.

### **Free and Clear**

6. Depending on the structure of the transaction proposed by the Successful Bidder(s) (as defined herein), all of the purchased assets of the Company shall be transferred free and clear of all security interests and other encumbrances except for any permitted encumbrances, pursuant to an approval and vesting order issued by the Court approving the transaction (the "**Approval and Vesting Order**").

### **"As Is, Where Is"**

7. Any purchase of the Assets will be on an “as is, where is” basis without representations or warranties of any kind, nature or description by the Receiver or any of its respective directors, officers, partners, employees, agents, advisors or estates, except to the extent as expressly set forth in a Qualified APA (as defined herein) and approved by the Court. By submitting a bid, each potential bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Company and its assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and the Company’s assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties or guarantees, express, implied, statutory or otherwise, regarding the Company or its assets or the completeness of any information provided in connection therewith, except as expressly as set forth in the Successful Bid(s) and approved by the Court.

### **Participation Requirements**

8. Each potential bidder must deliver to the Receiver, an executed NDA, in the form attached hereto as Schedule “A”, prior to the distribution of any confidential information by the Receiver.

9. If it is determined by the Receiver that a potential bidder: (i) has a *bona fide* interest in pursuing a transaction; and (ii) has delivered an executed NDA, then such potential bidder will be deemed to be a “**Qualified Bidder**”.

10. The Receiver will grant access to each Qualified Bidder, as soon as reasonably practicable, to a secure, electronic data room (the “**Data Room**”), which will provide, among other things, information considered relevant to the Sale Process.

### **Due Diligence**

11. The Receiver, subject to competitive and other business considerations, may give each Qualified Bidder such access to due diligence materials and information relating to the Company and the Assets as the Receiver deems appropriate. Due diligence access may include access to the Data Room, on-site inspections, and other matters which a Qualified Bidder may reasonably request and to which the Receiver may agree. Neither the Receiver, nor any of its representatives will be obligated to furnish any information relating to the Company or the Assets to any person. The Receiver makes no representation or warranty, express or implied, as to the information provided through the Sale Process or otherwise, except as may be set forth in a Successful Bid.

### **Qualified APA Deadline**

12. A Qualified Bidder that desires to make a bid for the Assets shall deliver written copies of its bid, in the form of the Asset Purchase Agreement (a template of which the Receiver is to add to the Data Room during the Sale Process), together with a blackline outlining all changes made to the Asset Purchase Agreement (the “**Qualified APA**”).

13. A Qualified APA for the Assets must be submitted to the Receiver as follows: Attn: Sheldon Title, sheldon.title@mnp.ca, so as to be received by no later than July 9, 2024 at 5:00 p.m. (EDT) (as may be extended as set out above). The Receiver may extend the Qualified APA Deadline, once or successively, but is not obligated to do so. If the Qualified APA Deadline is extended, the Receiver

will promptly notify all Qualified Bidders.

### **Qualified APA**

14. An asset purchase agreement must comply with all of the following to be a Qualified APA:

- (a) the bid (either individually or in combination with other bids that make up one Qualified APA) is an offer to purchase some or all of the Assets on terms consistent with the form of Asset Purchase Agreement, together with all completed schedules thereto, and on conditions acceptable to the Receiver and delivered to the Receiver prior to the Qualified APA Deadline
- (b) it is duly authorized and executed, and includes a purchase price for the Assets expressed in Canadian dollars (collectively, the “**Purchase Price**”);
- (c) includes a letter of acknowledgment stating that the Qualified Bidder’s offer is irrevocable and open for acceptance until the Successful Bid is selected by the Receiver and approved by the Court;
- (d) it is accompanied by written evidence of a firm, irrevocable commitment for financing or other evidence satisfactory to the Receiver, in its sole discretion, of the ability of the Qualified Bidder to consummate the proposed transaction, and that will allow the Receiver to make a determination as to the Qualified Bidder’s financial and other capabilities to consummate the proposed sale and pay the Purchase Price;
- (e) it will be unconditional;
- (f) it fully discloses the identity of each person and entity that will be bidding for, or otherwise sponsoring, financing, participating, or benefiting from such bid;
- (g) it includes an acknowledgement and representation of the Qualified Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Assets, prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Assets in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Company or the Assets, or the accuracy or completeness of any information provided in connection therewith;
- (h) it includes evidence, in form and substance reasonably satisfactory to the Receiver, of authorization and approval from the Qualified Bidder’s board of directors (or comparable governing body) with respect to the submission, execution and delivery of the Qualified APA submitted by the Qualified Bidder;
- (i) it is received by the Receiver by the Qualified APA Deadline;
- (j) provides a deposit in the amount of not less than 15% of the Purchase Price offered by

the Qualified Bidder (the “**Deposit**”); and

(k) the bid contemplates closing the transaction 11 days after the Approval and Vesting Order or such other date as the parties agree.

15. The Receiver may determine in its discretion whether to entertain bids for the Assets that do not conform to one or more of the requirements specified herein.

#### **Evaluation of Qualified APA**

16. Each Qualified APA will be considered and reviewed by the Receiver based upon several factors including, without limitation, items such as the Purchase Price and the net value provided by such bid, the claims likely to be created by such bid in relation to other bids, the counterparties to such transactions, the proposed transaction documents, other factors affecting the speed and certainty of the closing of the transaction, the value of the transaction, the Assets included or excluded from the bid, the transition services required from the Company (if any), any related transaction costs, the likelihood and timing of consummating such transactions, and such other matters as the Receiver may determine.

17. Each Qualified Bidder shall comply with all reasonable requests for additional information by the Receiver regarding the Qualified Bidder or the Qualified APA. Failure of a Qualified Bidder to comply with such requests for additional information will be a basis for the Receiver to reject a Qualified APA.

#### **Selection of Successful Bid**

18. Following the Qualified APA Deadline, the Receiver may identify the highest or otherwise best bid(s) as the Successful Bid.

19. The determination of a Successful Bid by the Receiver shall be subject to approval by the Court.

20. Notwithstanding the foregoing, a Qualified APA may not be withdrawn, modified, or amended without the written consent of the Receiver prior to the Successful Bid being determined by the Receiver. Any such withdrawal, modification or amendment made without the written consent of the Receiver prior to the Successful Bid being determined shall result in the forfeiture of such Qualified Bidder’s Deposit as liquidated damages and not as a penalty.

21. In the event a Qualified APA is not selected as a Successful Bid, the Deposit (without interest) shall be returned to the Qualified Bidder as soon as reasonably practicable after the Successful Bid(s) in respect of the Assets are approved by the Court.

22. The Receiver shall have no obligation to select a Successful Bid and reserves the right to reject any or all Qualified APAs and to amend or otherwise modify this Sale Process.

#### **Sale Approval Motion**

23. The motion for an order of the Court approving any Successful Bid (the “**Sale Approval Motion**”) shall be brought by the Receiver.

24. All the Qualified APAs for the Assets other than any Successful Bid, if any, shall be deemed rejected by the Receiver on and as of the issuance of the Approval and Vesting Order.

### **Reservation of Rights**

25. No one, including any Qualified Bidders, potential bidders, or Successful Bidders, shall be entitled to nor permitted any break, termination or similar fee or reimbursement of any kind. For greater certainty, all such persons shall be responsible for their own fees and costs of any kind, including those relating to any due diligence they may have performed, and any offers they each may make.

26. This Sale Process does not, and shall not be interpreted to, create any contractual or other legal relationship between the Receiver and any other party, other than as specifically set forth in definitive agreements that may be executed by the Receiver and the Successful Bidder(s).

27. The Receiver shall have the right to adopt such rules, not inconsistent with the Sale Process described herein, that, in its reasonable discretion, will promote the goals of the Sale Process.

### **Approvals**

28. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the Receivership Order or any other statute or as otherwise required at law in order to implement a Successful Bid.

### **Limitation of Liability**

29. The Receiver shall not have any liability whatsoever to any person or party, including without limitation to any potential bidder, Qualified Bidder, a bidder who submits a Successful Bid or any creditor or other stakeholder, for any act or omission related to this Sale Process. By submitting a bid, each potential bidder shall be deemed to have agreed that it has no claim against the Receiver for any reason, matter, or thing whatsoever.

**Schedule “A”**

**Form of Non-Disclosure Agreement**



## **Appendix “C”**

## **ASSET PURCHASE AGREEMENT**

This Agreement is made as of the 19<sup>th</sup> day of July, 2024 (the “**Effective Date**”)

### **BY AND BETWEEN:**

**MNP LTD.**, solely in its capacity as the Court-appointed receiver of all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. and not in its personal or corporate capacity (hereinafter referred to as the “**Vendor**” or the “**Receiver**”)

– and –

**JOSEPH SAAD AND MAGED DAOUD**, in trust for a corporation to be incorporated

(hereinafter referred to as the “**Purchaser**”)

### **RECITALS:**

A. **WHEREAS** on April 19, 2024, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an Order (the “**Receivership Order**”) appointing MNP Ltd. as Receiver of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”);

B. **AND WHEREAS** pursuant to the Receivership Order, the Receiver was authorized to market and sell the assets, undertakings and properties of the Debtors.

C. **AND WHEREAS** the Purchaser desires to purchase the Purchased Assets (as defined herein) and assume the Assumed Liabilities (as defined herein) upon and subject to the terms and conditions set out in this Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions**

Unless something in the subject matter or context is inconsistent therewith, the terms defined herein shall have the following meanings:

“**Affiliate**” has the meaning given to the term “affiliate” in the *Business Corporations Act* (Ontario).

“**Agreement**” means this asset purchase agreement, as may be amended and restated from time to time in accordance with the terms hereof, and “**Article**” and “**Section**” mean and refer to the specified article, section and subsection of this Agreement.

“**Allocation Schedule**” has the meaning set out in Section 3.2.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, any: (i) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order; (ii) judicial, arbitral, administrative,

ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (iii) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

**“Approval and Vesting Order”** means an order by the Court, in form and substance satisfactory to the Purchaser, acting reasonably, among other things, approving and authorizing this Agreement and the Transaction, and effective upon the delivery of the Receiver’s Certificate to the Purchaser, vesting in the Purchaser all of the right, title and interest in and to the Purchased Assets, free and clear of all Encumbrances other than Permitted Encumbrances, which order shall be in form and substance acceptable to the Receiver.

**“Assignment and Assumption Agreement”** means an assignment and assumption agreement evidencing the assignment to the Purchaser of the Debtor’s interest in, to and under the Purchased Contracts and the assumption by the Purchaser of all of the Assumed Liabilities, in form and substance satisfactory to the Parties, acting reasonably.

**“Assumed Liabilities”** means: (a) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule “B”, as the same may be modified by the Purchaser in accordance with the terms hereof; (b) all Liabilities which relate to the Business under any Purchased Contracts; in each case, solely in respect of the period from and after the Closing Time and not relating to any default existing prior to or as a consequence of Closing; and (c) all Liabilities which relate to Transferred Employees, as set out in Section 5.3.

**“BIA”** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

**“Books and Records”** means all files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) relating to the Business, including Tax and accounting books and records used or intended for use by, or in the possession of the Debtor or any of its Affiliates including information, documents and records relating to the Purchased Contracts, customer lists, customer information and account records, sales records, computer files, data processing records, employment and personnel records, sales literature, advertising and marketing data and records, cost and pricing information, production reports and records, equipment logs, operating guides and manuals, credit records, records relating to present and former suppliers and contractors, plans and projections and all other records, data and information stored electronically, digitally or on computer-related media.

**“Business”** means the pharmacy business conducted by the Debtor from the Leased Premises.

**“Business Day”** means a day on which banks are open for business in Toronto, Ontario, but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario.

**“Cash Purchase Price”** has the meaning set out in Section 3.3(b).

**“Claims”** means any civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, audit, chose in or cause of action, suit, default, assessment, litigation, prosecution, third party action, arbitral proceeding or proceeding, complaint or allegation, by or before any Person.

**“Closing”** means the closing and consummation of the Transaction.

**“Closing Date”** means the date that is eleven (11) days, or such shorter period as the Purchaser may determine by notice in writing to the Vendor, after the date upon which the conditions set forth in Article 7 have been satisfied or waived, other than any conditions set forth in Article 7 that by their terms are to be satisfied or waived at the Closing (or such other earlier or later date as may be agreed by the Vendor and the Purchaser in writing); provided, however, that if any condition set forth in Article 7.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement, and further provided that if any condition set out in either Section 7.2 or Section 7.3 is not satisfied or performed on or prior to the Outside Date, the Purchaser or the Vendor, as applicable, may elect on written notice to terminate this Agreement.

**“Closing Time”** means 12:01 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.

**“Contracts”** means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which the Debtor is a party or by which the Debtor is bound or in which the Debtor has, or will at Closing have, any rights or by which any of its property or assets are or may be affected.

**“Court”** has the meaning set out in the recitals hereto.

**“Cure Costs”** means, in respect of the Purchased Contracts, all amounts, costs, fees and expenses: (i) required to be paid to remedy all of the Debtor’s monetary defaults in relation to the Purchased Contracts, other than those arising by reason only of the Debtor’s bankruptcy, insolvency or failure to perform a non-monetary obligation; or (ii) necessary to secure a counterparty’s or any other necessary Person’s consent to the assignment of the Purchased Contracts; and which, for greater certainty, may be an amount agreed to by the Purchaser and the counterparty to a Purchased Contract.

**“Deposit”** has the meaning set out in Section 3.3(a).

**“Effective Date”** has the meaning set out on the first page of this Agreement.

**“Employee”** means any individual who is employed by the Debtor in connection with the Business immediately prior to the Closing Date.

**“Encumbrance”** means any security interest, lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage or right of a third party (including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease).

**“Excise Tax Act”** means the *Excise Tax Act*, R.S.C, 1985, c. E-15.

**“Excluded Assets”** means cash and cash equivalents on hand of the Debtor as at the Closing Date, if any, accounts receivable (including all amounts due under the Ontario Drug Benefit Program), prepaid expenses, interests in insurance policies or long term investments of the Business, Contracts that are not Purchased Contracts, and the properties, rights, assets and undertakings of the Debtor listed as “Excluded Assets” on Schedule “C”, as the same may be modified by the Purchaser in accordance with the terms hereof.

“**Final**” with respect to any order of the Court, means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Vendor and Purchaser) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired.

“**General Conveyance**” means a general conveyance evidencing the conveyance to the Purchaser of the Debtor’s and the Vendor’s interest, if any, in and to the Purchased Assets, in form and substance satisfactory to the Parties, acting reasonably.

“**Governmental Authority**” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

“**GST/HST**” means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act*.

“**Income Tax Act**” means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

“**Intellectual Property**” means all rights, interests and benefits of the Debtor, through ownership, licensing or otherwise, in: (i) any trademarks, trade names, business names, brand names, services marks, copyrights, trade secrets, industrial designs, inventions, patents, formulas, processes, know how, technology, manufacturing, engineering and other technical drawings and manuals, blue prints, research and development reports, technical information, technical assistance, engineering data, design and engineering specifications, telephone numbers, domain names, domain name registrations, website names and worldwide web addresses, social media accounts and social media handles and other communication addresses, and related goodwill; and (ii) any applications or registrations of the foregoing, issued patents, continuations in part, divisional applications or analogous rights therefor; in each case whether registered or not, and solely as such property relates to the Business.

“**Inventory Count**” has the meaning set out in Section 3.4(b).

“**Landlord**” means St. Patrick’s Home of Ottawa Ltd.

“**Lease**” means the lease for the Leased Premises, dated April 16, 2013, amended July 17, 2019 and extended on January 23, 2023 for five (5) years, between the Landlord and the Debtor, as tenant, as amended, extended, renewed or otherwise modified.

“**Leased Premises**” means the premises located at 2865 Riverside Dr., Ottawa, ON.

“**Liability**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“**Merchantable Inventory**” means all merchantable inventories of branded Rx (prescription) pharmaceuticals and OTC Products held for sale in good and saleable condition in connection with the Business and for which title is legally and beneficially held by the Debtor, subject to

confirmation by a physical inventory count and provided that all non-liquid Rx (prescription) pharmaceuticals contained in open vials or bottles shall be deemed to be half full.

**“OTC Products”** means all products recognized as having therapeutic or prophylactic properties when applied to or taken into the human body which are available for sale in Canada without prescription, including, but not limited to, analgesics, cough and cold remedies, infant formula, diabetic care products, homeopathic products, eye and ear care products, skin care products including acne care and lip balms, internal remedies including antacids, laxatives, sedatives, stimulants and anti-nausea products, and which are commonly referred to as over-the-counter products.

**“Outside Date”** means 11:59 pm (Toronto time) on September 15, 2024, or such later date and time as the Vendor and the Purchaser may agree to in writing.

**“Organizational Documents”** means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

**“Parties”** means the Vendor and the Purchaser, collectively, and **“Party”** means either one of them.

**“Patient Records”** means all prescription files, patient record files, and sales records of the Business including all digital back-up tapes and/or disks and the customer list showing each customer’s name, address, telephone number, patient history and third-party drug information.

**“Permitted Encumbrances”** means the Encumbrances expressly listed as permitted Encumbrances, if any, in the Approval and Vesting Order.

**“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

**“Pre-Closing A/R”** has the meaning set out in Section 6.3(g).

**“Purchased Assets”** has the meaning set out in Section 2.1.

**“Purchased Contracts”** means the Contracts listed in Schedule “A”, as the same may be modified by the Purchaser in accordance with the terms hereof (and including as such Purchased Contracts may be amended, restated, supplemented or otherwise modified from time to time).

**“Purchase Price”** has the meaning set out in Section 3.1.

**“Purchaser”** has the meaning set out in the preamble hereto.

**“Receiver”** has the meaning set out in the recitals hereto.

**“Receiver’s Certificate”** has the meaning given to it in Section 6.2(d).

**“Receivership Order”** has the meaning set out in the recitals hereto.

**“Taxes”** means, with respect to any Person, all national, federal, provincial, local or other taxes, including income taxes, capital gains taxes, value added taxes, severance taxes, ad valorem taxes,

property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any Liability for the payment of any amounts of the type described in this paragraph as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

**“Transaction”** means all of the transactions contemplated by this Agreement, including the purchase and sale transaction whereby the Purchaser will acquire the Purchased Assets.

**“Transfer Taxes”** means all present and future transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including GST/HST.

**“Transferred Employees”** means those Employees who accept an offer of employment from the Purchaser (or one of its Affiliates), made pursuant to Section 5.3.

**“Vendor”** has the meaning set out on the first page of this Agreement.

## **1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## **1.3 General Construction**

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

## **1.4 Extended Meanings**

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including, without limitation,” and such terms as “includes” have similar meanings and the term “third party” means any other Person other than the Vendor or the Purchaser, or any Affiliates thereof.

## 1.5 Currency

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

## 1.6 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules, regulations and interpretations made under it, as it or they may have been or may from time to time be modified, amended or re-enacted.

## 1.7 Schedules & Amendments to Schedules

The following exhibits and schedules are attached hereto and incorporated in and form part of this Agreement:

### **SCHEDULES**

Schedule A	-	Purchased Contracts
Schedule B	-	Assumed Liabilities
Schedule C	-	Excluded Assets
Schedule D	-	Allocation Schedule

The Parties acknowledge that as of the Effective Date, the Schedules are not complete and may be revised on or before the dates set out in such Schedules. The Parties shall cooperate with each other and shall use commercially reasonable efforts to complete the Schedules prior to the Closing Date.

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and Schedules and the interpretation provisions set out in this Agreement will apply to the Exhibits and Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits and Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

## **ARTICLE 2 PURCHASE AND SALE OF PURCHASED ASSETS**

### **2.1 Purchase and Sale of Purchased Assets**

At the Closing Time, subject to the terms and conditions of this Agreement, the Vendor shall sell, assign, transfer and convey to the Purchaser, and the Purchaser shall purchase and assume from the Vendor, all of the Debtor's and the Vendor's right, title and interest, if any, in, to and under all of the tangible and intangible assets, properties and rights of the Business (other than the Excluded Assets), which are owned by the Vendor and relate to or are used or held for use in connection with, the Business being conducted at the Leased Premises, free and clear of all Encumbrances, including the following (collectively, the "**Purchased Assets**"):

- (a) Merchantable Inventory;
- (b) subject to Applicable Laws, Patient Records;
- (c) fixed assets, including machinery, equipment, fixtures, furniture, computer hardware, computer software and accessories;



- (d) leasehold improvements;
- (e) Intellectual Property
- (f) the Purchased Contracts;
- (g) Books and Records relating to the Purchased Assets; and
- (h) all goodwill and other intangible assets associated with the Business and the Purchased Assets.

For certainty and notwithstanding anything to the contrary contained herein, the Purchased Assets shall not include the Excluded Assets.

## **2.2 Transfer of Purchased Assets and Assumption of Liabilities**

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, legal and beneficial ownership of the Purchased Assets shall transfer to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfill all of the Assumed Liabilities from and after the Closing Date.

## **2.3 Assignment of Purchased Contracts**

- (a) Each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of the Purchased Contracts, all consents and approvals required to assign the Purchased Contracts to the Purchaser.
- (b) To the extent that any Cure Costs are payable with respect to any Purchased Contract, the Purchaser shall be responsible for and shall pay all such Cure Costs, which Cure Costs shall be in addition to the Purchase Price.
- (c) The Debtor or the Vendor shall be entitled to disclaim or seek to disclaim any Contract that is not a Purchased Contract.
- (d) It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security, including without limitation any Cure Costs that may be required by Governmental Authorities or any third parties to permit the transfer of the Purchased Assets, including the Purchased Contracts, to the Purchaser.

# **ARTICLE 3 PURCHASE PRICE**

## **3.1 Purchase Price**

The purchase price payable by the Purchaser for the Purchased Assets (the "**Purchase Price**") shall be [REDACTED] plus (i) the value of the Merchantable Inventory at the Closing Date, and (ii) the Assumed Liabilities. The Purchase Price shall be satisfied in accordance with Section 3.3.

## **3.2 Allocation of Purchase Price**

The Purchaser and the Vendor agree that the Purchase Price shall be allocated among the Purchased Assets for all purposes (including Tax and financial accounting) as shown in the allocation schedule attached hereto as Schedule "**D**" (the "**Allocation Schedule**").

### 3.3 Satisfaction of Purchase Price

The Purchaser shall pay the Purchase Price in accordance with the following:

- (a) Deposit. The Purchaser shall pay to the Receiver a deposit in the amount of 15% of the Purchase Price (the “**Deposit**”), which Deposit shall be paid to the Receiver within 24 hours of the Receiver giving notice to the Purchaser that its offer has been accepted, which upon receipt, becomes non-refundable subject to the terms contained in this Agreement and will be held by the Receiver in trust, and shall be credited against the Purchase Price at Closing;
- (b) Balance of Purchase Price. An amount equal to the Purchase Price (taking into account the value of the Merchantable Inventory calculated in accordance with Section 3.4(b)) less the Deposit (the “**Cash Purchase Price**”) shall be paid by the Purchaser to the Receiver at the Closing Time, by wire transfer of immediately available funds; and
- (c) Assumed Liabilities. An amount equal to the value of the Assumed Liabilities, which the Purchaser shall assume on the Closing Date, shall be satisfied by the Purchaser paying, performing, and/or discharging such Assumed Liabilities as and when they become due.

### 3.4 Merchantable Inventory

- (a) The value of the Merchantable Inventory on hand at Closing shall be an amount equal to the Debtor’s actual invoiced cost.
- (b) On the day prior to Closing, a physical count and valuation of the Merchantable Inventory will be completed using the services of one or more qualified independent professionals acceptable to the Vendor and the Purchaser, acting reasonably, with the cost of such physical count being shared on a 50% - 50% basis between the Vendor and the Purchaser (the “**Inventory Count**”). Both the Vendor and the Purchaser are entitled to be present and monitor the Inventory Count. Merchantable Inventory shall be valued at cost.
- (c) Upon completion of the Inventory Count, any purchases of Merchantable Inventory and payment therefor shall be the responsibility of the Purchaser.

### 3.5 Transfer Taxes

The Parties agree that:

- (a) The Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay any and all Transfer Taxes pertaining to the Purchaser’s acquisition of the Purchased Assets.
- (b) Where the Vendor is required under Applicable Law to collect or pay Transfer Taxes, the Purchaser will pay the amount of such Transfer Taxes to the Vendor at Closing.
- (c) Except where the Vendor is required under Applicable Law to collect or pay such Transfer Taxes, the Purchaser shall pay such Transfer Taxes directly to the appropriate Governmental Authority or other entity within the required time period and shall file all necessary documentation with respect to such Transfer Taxes when due. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in a timely manner. If the Vendor is required under Applicable Law to pay any such Transfer Taxes which are not paid by the Purchaser at Closing, the Purchaser shall promptly reimburse the Vendor the full amount of such Transfer Taxes upon delivery to the Purchaser of copies of receipts showing payment of such Transfer Taxes.

- (d) The Purchaser shall indemnify the Vendor for, from and against all Claims and demands for payment of any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority, and any Liability or costs incurred as a result of any failure by the Purchaser to pay or remit such Taxes; and
- (e) Notwithstanding the foregoing, if available, the Purchaser and the Vendor shall jointly execute an election under section 167 of the *Excise Tax Act* in connection with the transfer of the Purchased Assets contemplated herein, and the Purchaser shall file such election with its applicable Tax return for the reporting period in which the sale of the Purchased Assets takes place. Any GST/HST incurred in connection with the purchase and sale of the Purchased Assets contemplated by this Agreement, including where an election pursuant to subsection 167(1) of the *Excise Tax Act* is not or cannot be validly made in respect of the Purchased Assets, shall be borne by Purchaser.

## ARTICLE 4 REPRESENTATIONS AND WARRANTIES

### 4.1 Representations and Warranties of the Vendor

The Vendor hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledge that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Authorization. Subject to the granting of the Approval and Vesting Order, the Vendor has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments.
- (b) No Other Purchase Agreement. The Vendor has not entered into any other agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment for the purchase or other acquisition from the Vendor of the Purchased Assets.
- (c) Execution and Binding Obligation. Subject to the granting of the Approval and Vesting Order, this Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of the Vendor, enforceable against it in accordance with its terms subject only to the granting of the Approval and Vesting Order.
- (d) Residency. The Debtor is not a non-resident of Canada for purposes of the *Income Tax Act*.

### 4.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to and in favour of the Vendor as of the date hereof and as of the Closing Time, and acknowledges that, the Vendor is relying on such representations and warranties in connection with entering into this Agreement and performing their obligations hereunder:

- (a) Incorporation and Status. The Purchaser shall be a corporation incorporated and existing under the *Business Corporations Act* (Ontario), is duly organized, validly subsisting and is in good standing under such laws and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be

executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments..

- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) Proceedings. There are no proceedings pending, or to the knowledge of the Purchaser, threatened, against the Purchaser before any Governmental Authority, which prohibit or seek to enjoin delay, restrict or prohibit the Closing of the Transaction, as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.
- (f) Residency. The Purchaser is not a non-resident of Canada for purposes of the *Income Tax Act*.
- (g) Approvals and Consents. Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder.
- (h) HST Registrant. The Purchaser is, or will be on the Closing Date, an HST registrant.
- (i) Investment Canada Act. The Purchaser is not a non-Canadian person as defined in the *Investment Canada Act*.

### 4.3 As is, Where is

The representations and warranties of the Vendor shall merge on Closing and shall thereafter be of no further force and effect. The Purchaser acknowledges, agrees and confirms that, at the Closing Time, the Purchased Assets shall be sold and delivered to the Purchaser, and the Assumed Liabilities shall be assumed by the Purchaser, on an “as is, where is” basis, subject only to the representations and warranties contained herein, and without any recourse to the Vendor or any its directors, officers, shareholders, employees, representatives, agents or advisors. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, Encumbrances, description, fitness for any present or intended purpose, merchantability, condition, quantity or quality, assignability or in respect of any other matter or thing whatsoever. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act* (Ontario) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser. The Purchaser acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets. The Purchaser further acknowledges, agrees and confirms that it has conducted its own investigations, due diligence and analysis in satisfying itself as to all matters relating to the Debtor and its assets, liabilities and Business, including the Purchased Assets. Any documentation, materials or information provided by the Vendor to the Purchaser regarding the Purchased Assets, or any part thereof, was provided solely for the convenience of the Purchaser and is not warranted or represented to be complete or accurate and does not form part of this Agreement.

Without limiting the generality of the foregoing, except as may be expressly set out in this Agreement, no representations or warranties have been given by any Party with respect to the Liability any Party has with respect to Taxes in connection with entering into this Agreement, the issuance of the Approval and Vesting Order, the consummation of the Transaction or for any other reason. For greater certainty, the Vendor shall have no Liability for any Taxes payable, collectible or required to be remitted before, on or after Closing in connection with: (a) the Receiver entering into this Agreement; (b) the issuance of the Approval and Vesting Order; or (c) the consummation of the Transaction.

The Purchaser shall, and shall be deemed to, rely entirely on its own inspections and investigations concerning the Purchased Assets. The description of the Purchased Assets contained herein is for purposes of identification only and the Vendor is not liable for any error or omission in such description. No representation, warranty or condition has or will be given by the Vendor concerning the completeness or accuracy of those descriptions. Notwithstanding anything contained herein to the contrary, the Purchaser further hereby covenants and agrees to release the Vendor of and from all Claims and Liabilities which the Purchaser may have against the Vendor in respect to any matter relating to the Purchased Assets. The provisions of this Section 4.3 shall not merge on Closing but shall remain in effect thereafter without limitation.

## **ARTICLE 5 COVENANTS**

### **5.1 Closing Date**

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Outside Date.

### **5.2 Motion for Approval and Vesting Order**

Subject to the availability of the Court, as soon as practicable, the Receiver shall serve and file with the Court an application for the issuance of the Approval and Vesting Order. Notice of the application shall be served on the Debtor and all Persons having a registered Encumbrance against the Purchased Assets, or any part thereof, and such other Persons as the Purchaser may reasonably request. Prior to the service of the application, Purchaser's counsel shall be provided with the service list for the application. If the Purchaser shall not have communicated its acceptance of, or provided comments in respect of, the proposed service list within two (2) Business Days of receipt of such list by the Purchaser's Counsel, the Purchaser shall be deemed to have approved such list. The Receiver shall use commercially reasonable efforts to seek the issuance and entry of the Approval and Vesting Order and the Purchaser shall cooperate with the Receiver in its efforts to obtain the issuance and entry of the Approval and Vesting Order.

### **5.3 Employee Matters**

- (a) The Vendor will provide to the Purchaser such information with respect to the Employees as may be reasonably required for the Purchaser to comply with its obligations under this Section 5.3.
- (b) The Purchaser shall, or shall cause an Affiliate to, make written offers of employment to any Employees that the Purchaser wishes to employ on terms no less favourable than their current employment, no later than five (5) Business Days before the Closing Date, which offers shall be conditional upon Closing and effective as of the Closing Time. The Purchaser or its Affiliate, as the case may be, shall recognize the prior service of the Transferred Employees with the Debtor, their Affiliates, or their predecessors for all purposes, including statutory notice of termination, common law notice of termination, and Purchaser's employee benefits plans, as applicable.

- (c) The Vendor shall terminate, effective as of the Closing Date, any Employees who are not Transferred Employees.
- (d) If Closing occurs, without limiting the obligations of the Purchaser in respect of Transferred Employees on and after the Closing Time, the Purchaser or its applicable Affiliate shall be responsible for the following Liabilities solely in connection with the Transferred Employees, which shall constitute Assumed Liabilities:
  - (i) all Liabilities for salary, wages, bonuses, commissions, vacation pay, benefits and other compensation related to the employment of Transferred Employees;
  - (ii) all termination costs, including termination costs relating to service of Transferred Employees prior to the Closing Time (including any required notice of termination, termination or severance pay), resulting from or relating to the termination of Transferred Employees after the Closing Time;
  - (iii) all Liabilities for Claims for injury, disability, death or workers' compensation arising from or related to the employment of Transferred Employees after the Closing Time; and
  - (iv) all employment-related Claims, penalties and assessments in respect of Transferred Employees arising from or related to matters that occur after the Closing Time, including without limitation Claims, penalties and assessments in respect of occupational health and safety.

#### **5.4 Confidentiality of Patient and Customer Records**

The Purchaser shall keep confidential and secure all Patient Records and customer records provided to the Purchaser as part of the Purchaser's due diligence for the Transaction in accordance with this Agreement, any non-disclosure agreement entered into between the Purchaser (or an Affiliate of the Purchaser) and the Vendor, and all Applicable Laws. In the event that the Transaction is not completed, for any reason, the Patient Records and customer records shall be returned immediately to the Vendor and with any copies, electronic or otherwise, destroyed, with proof thereof provided to the Vendor.

**5.5 OCP and ODB.** The Purchaser covenants, within five (5) Business Days after the execution hereof, (a) to make application to the Ontario College of Pharmacists ("OCP") for a Certificate of Accreditation for the transfer of ownership and operation of the pharmacy business located at 2865 Riverside Drive, Ottawa, ON K1V 8N5, which Certificate of Accreditation shall only be effective on the Closing Date, and (b) seek the approval of Ontario Drug Benefits ("ODB") to the Transaction and the issuance of an ODB number in connection therewith, which number shall only be effective on the Closing Date, and shall use commercially reasonable efforts to diligently pursue such Certificate of Accreditation and ODB number, and, in each of (a) and (b), provide proof thereof to the Vendor upon request.

### **ARTICLE 6 CLOSING ARRANGEMENTS**

#### **6.1 Closing**

Closing shall take place on the Closing Date effective as of the Closing Time electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

## 6.2 Vendor's Closing Deliverables

At or before the Closing Time, the Vendor shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Appointment Order, as issued and entered by the Court;
- (b) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (c) a certificate dated as of the Closing Date confirming that the Vendor has not been served with any notice of appeal with respect to the Appointment Order, Approval and Vesting Order, or any notice of any application, motion or proceeding seeking to set aside or vary the Appointment Order, Approval and Vesting Order or to enjoin, restrict or prohibit the Transaction;
- (d) an executed certificate of the Receiver substantially in the form attached to the Approval and Vesting Order (the “**Receiver's Certificate**”);
- (e) all Tax elections contemplated by Section 3.5, duly executed by the Vendor;
- (f) the General Conveyance, duly executed by the Vendor;
- (g) the Assignment and Assumption Agreement, duly executed by the Vendor;
- (h) a health information custodian agreement, duly executed by the Vendor;
- (i) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Vendor contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Vendor has performed in all material respects the covenants to be performed by it prior to the Closing Time; and
- (j) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

## 6.3 Purchaser's Closing Deliverables

At or before the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor the following:

- (a) the Cash Purchase Price;
- (b) payment of all Transfer Taxes payable on Closing to the Vendor (or evidence of payment by the Purchaser thereof to the relevant Governmental Authorities) in accordance with Section 3.5;
- (c) all Tax elections contemplated by Section 3.5, duly executed by the Purchaser;
- (d) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (e) the release contemplated by Section 4.3, in form and substance satisfactory to the Parties, acting reasonably;
- (f) a health information custodian agreement, duly executed by the Purchaser;

- (g) an undertaking by the Purchaser to deliver to the Vendor, on a bi-weekly basis, any and all accounts receivable of the Business and/or Debtor (whether pursuant to the Ontario Drug benefit Program or otherwise) for the period up to the Closing Date (“**Pre-Closing A/R**”) received by the Purchaser (or an Affiliate of the Purchaser) on or after the Closing Date;
- (h) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time; and
- (i) such other agreements, documents and instruments as may be reasonably required by the Vendor to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

## ARTICLE 7 CONDITIONS OF CLOSING

### 7.1 Conditions Precedent in favour of the Parties

The obligation of the Parties to complete the Transaction is subject to the following conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Approval and Vesting Order. The Approval and Vesting Order shall have been granted by the Court and shall be Final.
- (b) OCP and ODP. (a) The OCP shall have issued a Certificate of Accreditation for the transfer of ownership and operation of the pharmacy business located at 2865 Riverside Drive, Ottawa, ON K1V 8N5, which Certificate of Accreditation shall only be effective on the Closing Date, and (b) ODB shall have approved of the Transaction and provided an ODB number, which number shall only be effective on the Closing Date.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 7.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement **at which point the Deposit shall be returned to the Purchaser in full without deduction or setoff**.

### 7.2 Conditions Precedent in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date or such earlier date as indicated below:

- (a) Vendor’s Deliverables. The Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 6.2.
- (b) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 4.1 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.



- (c) No Breach of Covenants. The Vendor shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor on or before the Closing Date.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 7.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 7.2 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Vendor to terminate this Agreement at which point the Deposit shall be returned to the Purchaser in full without deduction or setoff.

### **7.3 Conditions Precedent in favour of the Vendor**

The obligation of the Vendor to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date or such earlier date as set out in this Agreement:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents and payments contemplated in Section 6.3.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 4.2 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.
- (d) No Legal Action. No action or proceeding shall be pending or threatened by any Person to enjoin, restrict or prohibit the completion of the Transaction or the right of the Purchaser to own the Purchased Assets after the Closing Time.
- (e) No Redemption or Loss of Control. The Vendor shall not have lost its ability to convey the Purchased Assets or any part thereof.

The foregoing conditions are for the exclusive benefit of the Vendor. Any condition in this Section 7.3 may be waived by the Vendor in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. If any condition set forth in this Section 7.3 is not satisfied or performed on or prior to the Outside Date, the Vendor may elect on written notice to the Purchaser to terminate the Agreement.

## **ARTICLE 8 TERMINATION**

### **8.1 Grounds for Termination**

This Agreement may be terminated on or prior to the Closing Date:

- (a) as provided for in Sections 7.1, 7.2 and 7.3;
- (b) by the mutual written agreement of the Vendor and the Purchaser;

- (c) by either Party upon written notice to the other Party if: (i) the Approval and Vesting Order has not been obtained and/or is not Final by the Outside Date; or (ii) the Court declines at any time to grant the Approval and Vesting Order for reasons other than a breach of this Agreement by the Party proposing to terminate the Agreement; or
- (d) by the Vendor, if there has been a material violation or breach by the Purchaser of any covenant, representation or warranty and such violation or breach has not been waived by the Vendor or cured within five (5) Business Days after written notice thereof from the Vendor to the Purchaser.

## **8.2 Effect of Termination.**

If this Agreement is terminated pursuant to Section 8.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder. Notwithstanding the foregoing, if the Transaction is not completed by the Outside Date solely as a result of the Vendor's failure to perform any of its obligations under this Agreement, then the Deposit shall be repaid to the Purchaser in full, without deduction or setoff. If the Purchaser fails to comply with its obligations under this Agreement, the Vendor may, on notice to the Purchaser, treat this Agreement as having been terminated by the Purchaser. In that event, the Deposit and any other payments made by the Purchaser will be forfeited to the Vendor on account of its liquidated damages, the Vendor shall be entitled to pursue all of its rights and remedies against the Purchaser, and the Purchased Assets may be resold by the Vendor.

## **ARTICLE 9 GENERAL**

### **9.1 Access to Books and Records**

For a period of two years from the Closing Date or for such longer period as may be required by any Applicable Law, the Purchaser shall retain all original Books and Records that are transferred to the Purchaser under this Agreement, but the Purchaser is not responsible or liable for any accidental loss or destruction of, or damage to, any such Books and Records. So long as any such Books and Records are retained by the Purchaser pursuant to this Agreement, the Receiver (and any representative, agent, former director or officer or trustee in bankruptcy of the estate of the Debtor) shall have the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser.

### **9.2 Notice**

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

Attention: Joseph Saad  
Email: phjsaad@gmail.com

with a copy to:

**Loopstra Nixon LLP**

Attention: Peter Saad  
Email: psaad@ln.law

- (b) in the case of the Vendor, as follows:

**MNP Ltd.**

1 Adelaide Street East,  
Suite 1900  
Toronto, ON M5C 2V9

Attention: Sheldon Title, CPA, CA, CIRP, LIT

Email: sheldon.title@mnp.ca

with a copy to:

**Chaitons LLP**

5000 Yonge St., 10<sup>th</sup> Fl.  
Toronto, ON M2N 7E9

Attention: Harvey Chaiton

Email: harvey@chaitons.com

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

### **9.3 Public Announcements**

The Vendor shall be entitled to disclose this Agreement to the Court and parties in interest in the receivership proceedings, other than any information about the Purchaser which the Purchaser advises the Vendor in writing as being confidential. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required by Applicable Laws, neither Party shall make any public statement concerning the Transaction. If any public statement or press release is required, the Parties shall, prior to making such statement or issuing such release, consult in good faith to agree upon the content of such statement or release, which shall be satisfactory to both Parties, acting reasonably.

### **9.4 Time**

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties.

### **9.5 Survival**

The representations and warranties of the Parties contained in this Agreement shall merge on Closing, provided that the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

## **9.6 Benefit of Agreement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

## **9.7 Entire Agreement**

This Agreement and the attached Schedules hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Vendor and the Purchaser.

## **9.8 Personal Information**

The Purchaser acknowledges that it is aware, and it will advise its representatives, that privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and *Personal Health Information Protection Act* (Ontario), applies to certain information that may be disclosed to the Purchaser and its representatives pursuant to this Agreement and/or the Transaction. The Purchaser agrees to comply, and cause its representatives to comply, with such privacy legislation in connection with any such information disclosed to them.

## **9.9 Paramountcy**

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

## **9.10 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of Ontario therefrom.

## **9.11 Assignment**

This Agreement may be assigned by the Purchaser prior to the issuance of the Approval and Vesting Order, without the prior written consent of the Vendor, provided that: (i) such assignee is a related party or subsidiary of the Purchaser; (ii) the Purchaser provides no less than five (5) Business Days' prior notice of such assignment to the Vendor; and (iii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment; provided, however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.

## **9.12 Further Assurances**

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

**9.13 Vendor's Capacity**

In addition to all of the protections granted to the Receiver under the BIA or any Order of the Court, the Purchaser acknowledges and agrees that the Vendor is entering into this Agreement solely in its capacity as court-appointed receiver pursuant to the Appointment Order and not in its personal capacity and in no circumstances shall have any personal or corporate liability under or as a result of this Agreement or the Transaction contemplated herein whatsoever.

**9.14 Counterparts**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

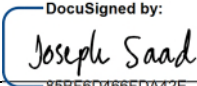
**9.15 Severability**

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

***[Signature Page Follows]***


IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

**JOSEPH SAAD AND MAGED DAOUD, in  
trust for a corporation to be incorporated**

By:  \_\_\_\_\_  
Name: Joseph Saad  
Title: Authorized Signing Officer

I have authority to bind the Corporation.

**MNP LTD., solely in its capacity as the Court-  
appointed receiver of all of the assets,  
undertakings and properties of Medical Arts  
Dispensary of Ottawa (2003) Ltd. and not it its  
personal or corporate capacities**

By:  \_\_\_\_\_  
Name: Sheldon Title  
Title: Senior Vice-President

I have authority to bind the Corporation.

**SCHEDULE "A"**  
**PURCHASED CONTRACTS**

The following is an exhaustive list of the Purchased Contracts:

- Premises Lease

**SCHEDULE "B"**  
**ASSUMED LIABILITIES**

The following is an exhaustive list of Assumed Liabilities:

None.



**SCHEDULE "C"**  
**EXCLUDED ASSETS**

The following is an exhaustive list of Excluded Assets:

1. All items noted in the definition of "Excluded Assets".

**[Note: Balance of schedule to be completed two (2) Business Days prior to the Closing Date.]**

**SCHEDULE "D"**  
**PURCHASE PRICE ALLOCATION**

**[Note: Balance of schedule to be completed two (2) Business Days prior to the Closing Date.]**

## **Appendix “D”**

**MNP LTD., RECEIVER RE:  
MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD.**

**INTERIM STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD APRIL 19, 2024 TO AUGUST 19, 2024**

	<u><b>Actual</b></u>
<b>Receipts:</b>	
Advance from secured creditor	\$ 52,000
Income from operations	451,748
Sale of vehicle	2,720
Interest	356
	<u>506,824</u>
<b>Disbursements:</b>	
Wages and employee benefits	49,576
Pharmacist and other consultants	110,210
Medical supplies	189,129
Equipment rental	6,897
Filing fee	80
License fee	325
Advertising	2,904
Courier services for medical deliveries	1,611
Security monitoring	87
Rent	23,265
Insurance	10,671
Utilities	3,552
HST paid	30,567
Receiver fees and expenses	22,000
	<u>450,874</u>
<b>Excess of Receipts over Disbursements</b>	<b>\$ <u>55,950</u></b>

## **Appendix “E”**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE COURT-APPOINTED RECEIVERSHIP  
OF MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD.  
OF THE CITY OF OTTAWA, IN THE PROVINCE OF ONTARIO**

BETWEEN:

**CWB MAXIUM FINANCIAL INC.**

Applicant

- and -

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD.**

Respondent

**AFFIDAVIT OF JOHN HARALOVICH  
(sworn on August 20, 2024)**

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

1. I am a Senior Vice President of MNP LTD. ("**MNP**"), the Licensed Insolvency Trustee ("**LIT**" or "**Receiver**") Medical Arts Dispensary of Ottawa (2003) Ltd. (the "**Medical**" or "**Company**"). As such, I have knowledge of the matters to which I hereinafter depose except where such knowledge is stated to be based on information and belief, in which case I confirm the source of my information and belief verily believe such information to be true.

2. MNP was appointed as Receiver of the property of the Company by way of Court Order dated April 19, 2024.

3. Attached hereto as **Exhibit "A"** are the detailed ledgers of the Receiver for the period April 19<sup>th</sup>, 2024 to August 19<sup>th</sup>, 2024, in the amount of \$148,253.70 plus HST of \$19,272.98, totalling \$167,526.68.

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

Professional	Position	Hours Invoiced	Amount Invoiced (excluding HST)	Effective Hourly Rate
Haralovich/Title Pappel	LIT, Partner File Manager	173.9	\$122,446.50	\$704.12
		27.1	11,195.00	\$413.10
Insolvency Staff/Other	Estate Technicians/Other	69.1	14,162.20	\$204.95
<b>Total</b>		<b>270.1</b>	<b>\$148,253.70</b>	<b>\$548.88</b>

5. The work completed in this matter which is described in Exhibit "A" and the various Court Report's of the Receiver includes the following:

- Taking possession of the property;;
- Arrange for insurance;
- Arrange for copy of lease and advise the landlord of our appointment;
- Arrange to obtain access to the accounting software and obtain reports necessary to support amounts due to the Company and determine government priority payables;
- Deal with various suppliers to ensure the operations of the Company were not disrupted;
- Notify customers of Medical of the appointment of the Receiver;
- Prepare and file Notice of Receiver 245/246 to advise all creditors of the appointment of the Receiver;
- Inquire about the inter-company accounts receivable;
- Obtain supporting documents to complete WEPP claims for employees;

- Obtain bank statements from TD Bank;
- Work to complete NDA, set up data room, run sales process;
- Respond to Canada Revenue Agency ("CRA") regarding an HST and employee source deductions;
- File HST returns from August 2023 through to July 2024;
- Prepare first Court Report.

6. As a result of the above efforts, MNP was able to achieve a gross realization of \$454,824.00 from the operation of Medical, as noted in Appendix 6 of the First Report of the Receiver. In addition, the sale of the business and recovery of inventory on hand at the proposed closing date will result in a significant payment to the first ranking secured creditor.

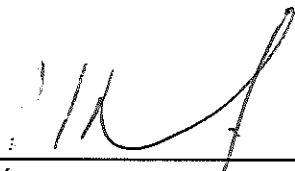
7. The above rates charged by MNP throughout the course of these proceedings are comparable to the rates charged by other LIT firms in the Ottawa market for the provision of similar services.

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

SWORN BEFORE me at the City of Ottawa in  
the Province of Ontario  
this 20<sup>th</sup> day of August, 2024

  
\_\_\_\_\_  
A Commissioner for Taking Affidavits, etc.

)  
)  
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\_\_\_\_\_  
JOHN HARALOVICH

**Sandra Elizabeth Dilio**  
a Commissioner, etc.,  
Province of Ontario,  
for MNP Ltd.  
Expires July 29, 2025.



This is Exhibit "A" referred to in the Affidavit of John Haralovich  
sworn August 20<sup>h</sup>, 2024



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*Commissioner for Taking Affidavits (or as may be)*

**Sandra Elizabeth Dillio**  
a Commissioner, etc.,  
Province of Ontario,  
for MNP Ltd.  
Expires July 29, 2025.

Medical Arts Dispensary of Ottawa (2003) Ltd.  
Summary of WIP to August 19, 2024

Date	Description	Units	Amount	Notes
<b>LIT/PARTNER</b>				
23-Apr-2024	John Haralovich	1.00	660.00	call with directors to inform them of the receivership, advise pharmacist
23-Apr-2024	John Haralovich	1.40	\$ 924.00	prepare update email to director, call with TD bank
23-Apr-2024	Sheldon Title	2.00	1,560.00	call with Maged, Sherif and Sandra, call with H. Chaiton on intercompany loan, other, call with Haralovich, develop planning spreadsheet
24-Apr-2024	John Haralovich	1.80	1,188.00	review of payables, start to develop monthly cost summary
24-Apr-2024	John Haralovich	.90	594.00	arrange for inventory count
24-Apr-2024	Sheldon Title	2.40	1,872.00	emails to Sal Surani, Sherif re: resignation letter from designated pharmacist; call with Dom Magisano; text John an update on situation; attempted calls and emails to Sherif on options; call with Haralovich; call with Kerr/Magisano on update on status; email to Chris at McKesson to arrange supply;
25-Apr-2024	John Haralovich	3.10	2,046.00	attend site, deliver message about ongoing payments, meet with pharmacist
25-Apr-2024	John Haralovich	1.50	990.00	work on notice of receiver and file with OSB
25-Apr-2024	Sheldon Title	2.00	1,560.00	emails to/from Sherif on \$15K withdrawal + email to Chaiton on same; emails from Maged and to Sal at National re: staffing issues; call with Sal * 2 and email to Kerr on funding request; internal emails on funding related issues; emails to/from Chris and Mili at McKesson to arrange supply of pharmaceuticals; update email to Kerr/Dom on Maged's resignation status
26-Apr-2024	John Haralovich	.50	330.00	Call with TD to confirm deposits still allowed in the account
26-Apr-2024	John Haralovich	.50	330.00	call with pharmacist regarding contract
26-Apr-2024	John Haralovich	.50	330.00	call with bookkeeper and send info regarding information required by the receiver
26-Apr-2024	John Haralovich	.80	528.00	work on employee term and task sheets
29-Apr-2024	John Haralovich	3.00	1,980.00	respond to employee's walking off the site, various calls with pharmacist, calls with third party agency
29-Apr-2024	John Haralovich	1.10	726.00	calls with 2 homes serviced by the contract and provide them an update
29-Apr-2024	Sheldon Title	3.20	2,496.00	calls with Maged (25 mins), series of calls with Haralovich, call with TD (Peter Lee), call with Surani, call with Chaiton, calls with Kerr on status/staff resignation, calls with Jaswant of OCP; email to Cohen at TD; email from/to Dutrizac at Kelly Santini re: St. Patrick's; consideration of term and task letter and revise same and forward by email to Chaiton; email to Sherif Gerges asking for Unitarian agreement
30-Apr-2024	Sheldon Title	.60	468.00	call with Maged; call with Haralovich and call with Kerr on update; emails from St. Patrick's; email to Maged on Unitarian contract;
01-May-2024	John Haralovich	2.50	1,650.00	attend site, provide payroll payments, arrange for Bank Draft from TD bank
01-May-2024	Sheldon Title	.50	390.00	call with Haralovich *2 on status, email to Chaiton to request his sending letter to bookkeeper due to non-cooperation on books and records; email re: Unitarian
02-May-2024	John Haralovich	1.20	792.00	work on various access issues

**Medical Arts Dispensary of Ottawa (2003) Ltd.**  
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
02-May-2024	Sheldon Title	.70	546.00	email to/from PP on status of sale process; OCP renewal payment authorization completed and returned to OCP for processing; call and emails with Haralovich, call with Kerr on receiver certificate terms after email exchange
03-May-2024	John Haralovich	1.30	858.00	work on various matters for the file related to staffing
06-May-2024	John Haralovich	1.20	792.00	review supplier invoices
06-May-2024	John Haralovich	1.50	990.00	review payroll information and call with Maged
06-May-2024	John Haralovich	.50	330.00	send follow up information regarding accounting information
06-May-2024	John Haralovich	1.30	858.00	complete March 2024 billings
06-May-2024	Sheldon Title	.10	78.00	exchange of emails with Haralovich on payroll, email from PP
07-May-2024	John Haralovich	2.80	1,848.00	attend site, provide payroll cheques, meet the team, download April invoices
08-May-2024	John Haralovich	1.90	1,254.00	calls with benefits program, call with insurance, emails regarding bag supply
09-May-2024	John Haralovich	1.20	792.00	arrange for payments of various accounts, send emails
10-May-2024	John Haralovich	1.20	792.00	work on various matters and invoicing
13-May-2024	Sheldon Title	.30	234.00	call with Sal Surani and emails with John Haralovich
14-May-2024	John Haralovich	1.20	792.00	start the process of the WEPP claim
14-May-2024	Sheldon Title	.60	468.00	call with Haralovich (34 mins) and call Chaiton (6 mins)
15-May-2024	John Haralovich	3.20	2,112.00	Attend site, arranged for inventory release, fix billing to St. Patrick's
15-May-2024	John Haralovich	.80	528.00	call with potential clinical Pharmacist
15-May-2024	Sheldon Title	1.30	1,014.00	call with Pappel (31 mins), call with Haralovich (11), email from Kerr and revise/issue Receiver's certificate, email from Stericycle and respond thereto; email from Chahna on CRA email and email to John on same
16-May-2024	John Haralovich	.60	396.00	call regarding sales process, call regarding potential staff member
17-May-2024	John Haralovich	1.30	858.00	start work on WEPP claim
20-May-2024	Sheldon Title	1.70	1,326.00	review of sale process, NDA and data room statement, markup/revise same and forward to Chaiton for his review, call with Chaiton on the foregoing (50 mins)
21-May-2024	John Haralovich	1.10	726.00	work on payroll
21-May-2024	John Haralovich	.80	528.00	look at quick books and inquire as to why data is lost
22-May-2024	John Haralovich	1.30	858.00	attend site, meet with staff, provide payroll cheques
22-May-2024	John Haralovich	.60	396.00	call with Quick book support to obtain access to data
22-May-2024	Sheldon Title	1.20	936.00	email to Pappel on direction for teaser/ad, email to Chaiton to follow up NDA/sale process, review of Chaiton's markup on NDA, call with Pappel, review of teaser, emails to Haralovich and from Mena; review of Kroll generated sales report, exchange of messages with Haralovich
23-May-2024	John Haralovich	1.10	726.00	respond to emails, work on sale numbers
23-May-2024	John Haralovich	.90	594.00	summarize deposits Oct to April 2024
24-May-2024	John Haralovich	3.00	1,980.00	attend site, restore google services, change email passwords update supplier invoices
27-May-2024	John Haralovich	1.40	924.00	deal with issues regarding patients, get supply re started, review public health revenue
27-May-2024	Sheldon Title	1.50	1,170.00	revisions to sale process and email same to Chaiton, call with Haralovich (9 mins), call with Kerr (19 mins); email to/from Evani on CRA 0002 account;

**Medical Arts Dispensary of Ottawa (2003) Ltd.**
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
28-May-2024	John Haralovich	1.30	858.00	attend site, pick up cheques, work on city of Ottawa billing
29-May-2024	John Haralovich	1.20	792.00	complete WEPP claims, transmit, send to Fira her claim for processing
30-May-2024	Sheldon Title	1.20	936.00	call with Chaiton on sale process (1/2 hour) and call with Pappel (27 mins); mark up sale process
31-May-2024	John Haralovich	.50	330.00	call regarding teaser and sales process
31-May-2024	John Haralovich	.60	396.00	prep for bank draft to fund
31-May-2024	Sheldon Title	.80	624.00	call Haralovich/Pappel on sale process implementation, emails internally to drive advertisement to publisher and email to Chaiton on process question
03-Jun-2024	John Haralovich	1.10	742.50	process payroll, work on payment of US invoice
03-Jun-2024	John Haralovich	.60	405.00	respond to emails from medical supplier
04-Jun-2024	John Haralovich	1.50	1,012.50	attend site, issue payroll, run reports for month end billings
04-Jun-2024	John Haralovich	1.50	1,012.50	work on May billing to manors
04-Jun-2024	Sheldon Title	1.00	800.00	review of Firmex site, compile names of accounting firms to send teaser to, emails to/from Pappel on various issues relating to launch of process incl. changes to template NDA, finalization of ad in publication, etc.
05-Jun-2024	John Haralovich	1.50	1,012.50	work on sales process, work on billings
05-Jun-2024	Sheldon Title	.40	320.00	call with Pappel, email to/from Pappel on various matters re: sale process
06-Jun-2024	John Haralovich	1.50	1,012.50	issue May invoice to St. Patrick's, respond to emails
06-Jun-2024	Sheldon Title	5.40	4,290.00	Work on receivership engagement
07-Jun-2024	John Haralovich	1.50	1,012.50	complete invoicing for may results, look at sales process information and various emails sent to make parties aware of the offering
08-Jun-2024	Sheldon Title	.40	320.00	email to Dom Magisano on email from Sandra Gerges, email to C. Kerr to provide update on sale process, email to Haralovich on PP; email to PP to refer him to Andrew Pappel,
10-Jun-2024	John Haralovich	1.80	1,215.00	review payments processed by credit cards, update billing report, review supplier invoices
10-Jun-2024	Sheldon Title	.30	240.00	calls with Sandra Gerges and email to Dom on same
11-Jun-2024	John Haralovich	.50	337.50	adjust may billing for St. Patrick's
11-Jun-2024	Sheldon Title	.10	80.00	email exchange with Cameron Kerr on status
12-Jun-2024	John Haralovich	1.30	877.50	attend the site, work on sales process, respond to emails
13-Jun-2024	John Haralovich	.80	540.00	respond to medical supplier regarding payments
13-Jun-2024	Sheldon Title	.40	320.00	call with Haralovich, email to PP to confirm whether he is interested in pursuing opportunity
14-Jun-2024	John Haralovich	.90	607.50	send notices to staff on WEPP claims
14-Jun-2024	John Haralovich	1.90	1,282.50	start to work on HST filings
17-Jun-2024	John Haralovich	1.50	1,012.50	work on payroll, look into supplier issue
18-Jun-2024	John Haralovich	2.20	1,485.00	numerous calls to Bell to try to connect the phones after they terminated them
19-Jun-2024	John Haralovich	.80	540.00	work on McKesson account set up
19-Jun-2024	John Haralovich	2.70	1,822.50	work on HST claims and building support
19-Jun-2024	Sheldon Title	.80	640.00	call with Andrew Pappel on process related issues; email/call with Chaiton on Bell Canada line termination issue
20-Jun-2024	John Haralovich	.50	337.50	update WEPP claim and call with service Canada
20-Jun-2024	John Haralovich	2.20	1,485.00	work through McKesson stmt, send various emails

**Medical Arts Dispensary of Ottawa (2003) Ltd.**
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
20-Jun-2024	Sheldon Title	.30	240.00	call with Rakowski; email to bell insolvency dept
24-Jun-2024	Sheldon Title	.60	480.00	call with Surani; follow up with Pappel on Surani having access to data room; email to/from Pappel re: inquiries from bidder on sharing financials with bank
25-Jun-2024	Sheldon Title	.60	480.00	email to Harvey on APA, exchange with Pasternack on APA; call with Pappel
26-Jun-2024	Sheldon Title	2.00	1,600.00	review of APS, email to Michael Pasternack on same; review of various emails/messages from and about PPs
27-Jun-2024	John Haralovich	.80	540.00	review draft APA and call with legal to review changes
27-Jun-2024	John Haralovich	.30	202.50	call regarding insurance
27-Jun-2024	Sheldon Title	.90	720.00	call with Pasternack, Haralovich, consideration of John's comments on APA, email to/from Sherif on status
28-Jun-2024	John Haralovich	1.00	675.00	review sale agreement, make changes and forward to applicable parties
28-Jun-2024	John Haralovich	.50	337.50	respond to interested parties questions
28-Jun-2024	Sheldon Title	.30	240.00	review of revised APS, email exchange with Pasternak, email to Haralovich on response to PP
02-Jul-2024	John Haralovich	.90	607.50	calls with 2 interested parties
02-Jul-2024	John Haralovich	.70	472.50	work on payroll submissions
02-Jul-2024	John Haralovich	.70	472.50	work on McKesson payment due for July 15
03-Jul-2024	John Haralovich	2.20	1,485.00	attend site, print monthly residence report
03-Jul-2024	John Haralovich	.60	405.00	review changes to the APA and notice to interested parties
03-Jul-2024	Sheldon Title	.50	400.00	texts/emails with Pappel on follow up with purchasers, including suggested text; revise Andrew's communication and email with Pappel
04-Jul-2024	John Haralovich	2.20	1,485.00	work on monthly billing for June
04-Jul-2024	John Haralovich	.40	270.00	call with lawyer representing director Sandra
05-Jul-2024	John Haralovich	.70	472.50	call with agent regarding interested bidder
05-Jul-2024	Sheldon Title	.30	240.00	update call with Kerr, email exchange with Sherif Gerges on house proceeds
08-Jul-2024	John Haralovich	.50	337.50	call with key supplier
08-Jul-2024	John Haralovich	.90	607.50	review of sales process, respond to questions about staff members
08-Jul-2024	Sheldon Title	.60	480.00	receipt of 3 offers, call with one of the bidders, call with Cam Kerr, text messages with Haralovich on deposits, email to PP asking for para. 14 particulars to accompany bid for it to be a qualified bid
09-Jul-2024	John Haralovich	.70	472.50	review email from St. Patrick's, provide information, respond to various emails
09-Jul-2024	Sheldon Title	.60	480.00	receipt of offer, emails with MNP team, call with Kerr; receipt of offer on 160 Main
10-Jul-2024	John Haralovich	2.00	1,350.00	attend site to have discussion with bidder, review bids, review process and conditions of sale
10-Jul-2024	Sheldon Title	1.60	1,280.00	review/investigate sale of pharmacy, call to Jaswant at OCP/email Jaswant, develop wording on condition for OCP approval and forward to Chaiton to review, internal messages to Haralovich, email from Gerges call with Kerr on status; call with Haralovich; call with Chaiton (23 mins) attempts at calls with ODB and instructions to Nathwani to continue efforts to speak with ODB; emails to Chaiton/Haralovich on ODB related info

**Medical Arts Dispensary of Ottawa (2003) Ltd.**
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
11-Jul-2024	John Haralovich	.70	472.50	various emails on APA
11-Jul-2024	Sheldon Title	.40	320.00	calls and emails to Chaiton on proposed changes to APS
12-Jul-2024	John Haralovich	1.30	877.50	work on sale of assets
14-Jul-2024	Sheldon Title	.20	160.00	email to Kerr on update on sale
15-Jul-2024	John Haralovich	1.20	810.00	work on payroll
15-Jul-2024	Sheldon Title	.20	160.00	email to Chaiton on status, with Haralovich on same
16-Jul-2024	John Haralovich	1.30	877.50	attend site, make payroll, inquiry into monthly billing outstanding from St. Patrick's
16-Jul-2024	Sheldon Title	.50	400.00	emails to/from Pasternack on wording of condition (OCP + ODB); email to Haralovich
17-Jul-2024	John Haralovich	.40	270.00	change to June billing
17-Jul-2024	John Haralovich	.50	337.50	call with interested party and APA changes
18-Jul-2024	John Haralovich	1.20	810.00	reconcile McKesson to July 15 stmt of account
18-Jul-2024	Sheldon Title	1.10	880.00	call with Chaiton on Unitarian contract/APA, teams msgs with Haralovich, email to/from Gerges; email exchange with Pasternak; review of amended agreement and provide comments; email follow up from/to prospective purchaser
19-Jul-2024	John Haralovich	.50	337.50	call with Sal regarding pharmacist on site
19-Jul-2024	John Haralovich	.50	337.50	send email to Bell in response to another VM that phone lines will be terminated
19-Jul-2024	Sheldon Title	.40	320.00	emails to/from Pasternack, sign agreement and return to Chaitons, email to/from Haralovich on same + Bell line disconnection,
22-Jul-2024	John Haralovich	.70	472.50	review phone line issue, call with Maged regarding invoice mailing
22-Jul-2024	Sheldon Title	.40	320.00	work on report, email with Harvey Chaiton and emails with John Haralovich on timing for court approval
24-Jul-2024	Sheldon Title	.40	320.00	call with Haralovich; call with OCP on Receiver being able to sign the Application for accreditation
25-Jul-2024	John Haralovich	.50	337.50	follow up with city of Ottawa payment
25-Jul-2024	Sheldon Title	.30	240.00	finalize application for accreditation; call with Loopstra Nixon to confirm wire instructions; emails with Pasternack
26-Jul-2024	Sheldon Title	.60	480.00	review of NOM and calls/texts with Chaiton on same; review of service list
29-Jul-2024	John Haralovich	.80	540.00	complete payroll
29-Jul-2024	John Haralovich	.40	270.00	call with CRA regarding HST and source
29-Jul-2024	John Haralovich	.30	202.50	calls with various parties regarding notice of motion
29-Jul-2024	John Haralovich	.30	202.50	review insurance renewal
29-Jul-2024	Sheldon Title	.70	560.00	emails with John Haralovich; call with Haralovich on planning for discharge
30-Jul-2024	John Haralovich	1.50	1,012.50	site visit
30-Jul-2024	Sheldon Title	.20	160.00	call with Haralovich
31-Jul-2024	Sheldon Title	.90	720.00	call with Harvey Chaiton on related party receivables, 2* call with Jaswant at OCP, 2* emails with Peter Saad to confirm filing of application for accreditation after OCP advised they did not have it and to advise of OCP's request for supplemental info; call with Kerr and emails to Haralovich/Kerr on OCP application status
01-Aug-2024	Sheldon Title	1.80	1,440.00	writing report to court
02-Aug-2024	Sheldon Title	1.70	1,360.00	further work on first report
06-Aug-2024	John Haralovich	.80	540.00	respond to various emails

**Medical Arts Dispensary of Ottawa (2003) Ltd.**  
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
06-Aug-2024	Sheldon Title	.60	480.00	email to Haralovich, Chaiton on work that needs to be performed before serving materials, emails to Pappel on stats on sales process
07-Aug-2024	John Haralovich	2.20	1,485.00	attend site, attempt to print monthly bills, send emails to suppliers about accounts and continued service
07-Aug-2024	Sheldon Title	.70	560.00	finalization of report, forward to Nathwani for formatting, call with Chaiton re: receivables, email to Haralovich a copy of the report for finalization
08-Aug-2024	John Haralovich	1.80	1,215.00	respond to various emails regarding inter-company accounts, review McKesson Aug 15 and reconcile
08-Aug-2024	Sheldon Title	.20	160.00	call with Haralovich on i/c balances
09-Aug-2024	John Haralovich	.80	540.00	call with purchaser, terminate contract for clinical pharmacist and arrange for new contract
09-Aug-2024	Sheldon Title	.50	400.00	call with Dom Magisano on i/c receivable, expected distribution to CWB
12-Aug-2024	John Haralovich	.90	607.50	call with IT provider, resolve issue and obtain ongoing service
12-Aug-2024	John Haralovich	1.10	742.50	work on July billing
12-Aug-2024	John Haralovich	1.50	1,012.50	complete payroll reporting for period ending
13-Aug-2024	John Haralovich	.50	337.50	call with Sal regarding Nadet termination and end of contract
13-Aug-2024	John Haralovich	.50	337.50	call with IT provider
13-Aug-2024	John Haralovich	.30	202.50	call with lawyer regarding manor and sale
14-Aug-2024	John Haralovich	1.30	877.50	attend site, discussions regarding transition and equipment
14-Aug-2024	John Haralovich	1.60	1,080.00	work on first report
14-Aug-2024	Sheldon Title	.50	400.00	emails with Magisano, review of JH's comments on report;
15-Aug-2024	John Haralovich	1.30	877.50	file hst returns
15-Aug-2024	Sheldon Title	.20	160.00	call with Chaiton
16-Aug-2024	John Haralovich	1.80	1,215.00	respond to emails regarding visa payments and collection of accounts not covered by ODB
16-Aug-2024	Sheldon Title	.70	560.00	further revisions to report to reflect John Haralovich's comments; call with Dom Magisano and Spencer Jones on intercompany/guarantee
<b>Total LIT/PARTNER</b>		<b>173.90</b>	<b>122,446.50</b>	

**Manager**

26-Apr-2024	Andrew Pappel	2.50	1,005.00	Prepare 13 week cash flow model for assessing the cash flow requirements of the receivership.
13-May-2024	Andrew Pappel	1.50	603.00	Draft data room T&C's and NDA.
16-May-2024	Andrew Pappel	1.50	603.00	Draft sale process documents.
22-May-2024	Andrew Pappel	1.30	522.60	Correspond with various marketing firms re: sale process advertisement; draft sales teaser and correspond with working group regarding the same.
23-May-2024	Andrew Pappel	.30	120.60	Correspond with N. Dumont re: classified ad for sale process.
27-May-2024	Andrew Pappel	.20	80.40	TCW N. Dumont re: advertising options for sale process.
30-May-2024	Andrew Pappel	.30	120.60	Discussion with working group re: marketing strategy for sale process.
31-May-2024	Andrew Pappel	.70	281.40	Discussion with working group re: sale process; edits to sales teaser; correspond with N. Dumont re: advertising for sale process.

**Medical Arts Dispensary of Ottawa (2003) Ltd.**  
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
03-Jun-2024	Andrew Pappel	3.50	1,463.00	Correspond with N. Dumont re: advertising; correspond with working group re: marketing and sale process; prepare list of law firms with healthcare clients to send sales teaser to re: marketing and sale process; update documents in the data room.
04-Jun-2024	Andrew Pappel	2.70	1,128.60	Correspond with N. Dumont re: advert; updates to the data room; correspond with internal marketing department re: sales teaser posting on Linked-In; distribute sales teaser to various law firms re: marketing and sale process; correspond with potential purchasers re: NDA and data room.
05-Jun-2024	Andrew Pappel	1.20	501.60	Correspond with prospective purchasers re: NDA and data room; correspond with marketing group re: advertising for sale process;
06-Jun-2024	Andrew Pappel	2.20	919.60	Correspond with potential purchasers; search and compile list of emails for accounting firms to send sales teaser to re: sale process; distribute sales teaser to accounting firms.
07-Jun-2024	Andrew Pappel	.50	209.00	Correspond with potential purchasers re: NDA and data room.
10-Jun-2024	Andrew Pappel	.70	292.60	Correspond with potential purchasers re: NDA and data room; virtual meeting with D. Korsunsky at Neighbourly Pharmacy Inc. re: acquisition opportunity.
11-Jun-2024	Andrew Pappel	.30	125.40	Correspond with potential purchasers re: NDA and data room.
13-Jun-2024	Andrew Pappel	.40	167.20	Correspond with potential purchasers re: NDA and data room.
14-Jun-2024	Andrew Pappel	.40	167.20	Correspond with prospective purchasers re: NDA and data room.
17-Jun-2024	Andrew Pappel	.30	125.40	Correspond with potential purchasers re: NDA and data room.
18-Jun-2024	Andrew Pappel	.10	41.80	Correspond with potential purchasers re: NDA and data room.
19-Jun-2024	Andrew Pappel	.40	167.20	Correspond with potential purchasers re: NDA and data room.
20-Jun-2024	Andrew Pappel	.30	125.40	Correspond with prospective purchasers re: sale process.
21-Jun-2024	Andrew Pappel	.40	167.20	Correspond with potential purchasers re: NDA and data room.
24-Jun-2024	Andrew Pappel	.70	292.60	Discussions with potential purchasers re: sale process; correspond with working group re: purchaser inquiries.
25-Jun-2024	Andrew Pappel	.30	125.40	Correspond with potential purchasers re: data room and NDA.
26-Jun-2024	Andrew Pappel	1.20	501.60	Discussions and correspondence with potential purchasers re: sale process.
27-Jun-2024	Andrew Pappel	.40	167.20	Discussion and correspondence with potential purchaser.
28-Jun-2024	Andrew Pappel	.50	209.00	Update data room materials; correspond with potential purchasers re: sale process and NDA.
02-Jul-2024	Andrew Pappel	.10	41.80	Correspond with prospective purchasers.
03-Jul-2024	Andrew Pappel	.60	250.80	Correspond with working group re: prospective purchasers; draft notice to prospective purchasers re: sale process; correspond with prospective purchasers.
04-Jul-2024	Andrew Pappel	.10	41.80	Correspond with potential purchasers re: asset purchase agreement ("APA").



**Medical Arts Dispensary of Ottawa (2003) Ltd.**
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
05-Jul-2024	Andrew Pappel	.40	167.20	Update data room for additional contracts; correspond with working group re: potential purchaser inquiries.
09-Jul-2024	Andrew Pappel	.70	292.60	Correspond with working group re: questions from prospective purchasers; correspond with prospective purchasers re: NDA and sale process.
06-Aug-2024	Andrew Pappel	.40	167.20	Correspond with N. Dumont re: advertising; correspond with working group re: sale process information for report to court.
<b>Total Manager</b>		<b>27.10</b>	<b>11,195.00</b>	

**Estate administrators**

24-Apr-2024	Augusto Barbosa de Olivei	1.50	307.50	Set-up file in Ascend, analysed invoices and inserted creditors.
26-Apr-2024	Chahna Nathwani	.40	105.60	rafted letter to CRA re: RT0002 account
29-Apr-2024	Augusto Barbosa de Olivei	.70	143.50	Organized documents, prepared creditors' package and sent to all known creditors by email or fax. Prepared affidavit.
29-Apr-2024	Danielle St. Pierre	.40	82.00	Set up bank account in ascend
30-Apr-2024	Sandra Dilio	.70	123.90	bank run to pick up bank draft, post to GL and create deposit, deposit cheque to pay employees
01-May-2024	Danielle St. Pierre	.30	61.50	Input into tax cycle
02-May-2024	Anne Nelligan	.20	41.20	versa cheque verification
02-May-2024	Lisa Visconti	.50	88.50	invoices processed
03-May-2024	Lisa Visconti	.20	35.40	invoices processed
06-May-2024	Evani Patel	.75	271.50	Generating Paystubs for 4 employees
06-May-2024	Lisa Visconti	1.00	177.00	invoices processed
07-May-2024	Anne Nelligan	.10	20.60	review for Versa Bank
07-May-2024	Augusto Barbosa de Olivei	2.00	410.00	Added invoices to the spreadsheet, scanned and organized documents.
08-May-2024	Anne Nelligan	.20	41.20	cheque verification
09-May-2024	Augusto Barbosa de Olivei	2.40	492.00	Inserted invoices per patient for April in the spreadsheet. Organized and scanned documents.
09-May-2024	Heather Ashrose	.10	19.70	Created data room
09-May-2024	Lisa Visconti	.20	35.40	invoices processed
09-May-2024	Sandra Dilio	.40	70.80	monthly invoices - paid, cheques sent
15-May-2024	Anne Nelligan	.20	41.20	filling out banking documents
15-May-2024	Chahna Nathwani	.30	79.20	Received call from CRA Assigned officer, email exchanges with S. Title on Trust examination and o/s returns
15-May-2024	Sandra Dilio	.70	123.90	pick up bank draft from TD, post to GL and create deposit
16-May-2024	Sandra Dilio	.70	123.90	mailing monthly invoices to clients - for April medications
21-May-2024	Evani Patel	.75	271.50	Creating biweekly paystub, sending net pay information to John Haralovich for employee payments
21-May-2024	Jesse Baker	.20	38.00	Call with John H regarding quick books access
21-May-2024	Lisa Visconti	1.50	265.50	invoices processed
22-May-2024	Evani Patel	.30	108.60	Preparing payroll for 1 employee and connecting with John on payroll liability voucher
22-May-2024	Lisa Visconti	1.00	177.00	invoices processed
23-May-2024	Augusto Barbosa de Olivei	.50	102.50	Inserted supplier invoices in the spreadsheet.
23-May-2024	Sandra Dilio	.50	88.50	print and mail and mail cheques, pay invoices and pay fees

**Medical Arts Dispensary of Ottawa (2003) Ltd.**
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
27-May-2024	Evani Patel	.50	181.00	Updating Sheldon with RP0002 account requirements, training Misha on completing the summary of May payroll and calculating payroll liabilities.
27-May-2024	Misha Chopra	.50	132.00	prepared payroll summary
28-May-2024	Evani Patel	.25	90.50	Requesting CRA to open a RP0002 account
28-May-2024	Lisa Visconti	.30	53.10	invoices processed
29-May-2024	Danielle St. Pierre	.60	123.00	Proof of Claim forms for WEPP claims
31-May-2024	Lisa Visconti	1.50	265.50	invoices processed
03-Jun-2024	Danielle St. Pierre	1.00	213.00	Sitecore updated
03-Jun-2024	Evani Patel	.75	282.00	Creating 4 paystubs for June 4th pay
03-Jun-2024	Lisa Visconti	1.50	276.00	invoices processed
03-Jun-2024	Sandra Dilio	.30	55.20	bank draft posted, deposit created, funds deposited to VERSA account
06-Jun-2024	Augusto Barbosa de Olivei	1.50	319.50	Inserted invoices for May into the spreadsheet
06-Jun-2024	Lisa Visconti	.40	73.60	invoices processed
07-Jun-2024	Augusto Barbosa de Olivei	.40	85.20	Inserted invoices in the spreadsheet.
07-Jun-2024	Misha Chopra	.70	192.50	Prepared summary for weekly payroll
10-Jun-2024	Augusto Barbosa de Olivei	.30	63.90	Insert invoices into the spreadsheet.
10-Jun-2024	Sandra Dilio	.40	73.60	payments received from clients for medications - cheques posted to GL, create deposit and deposit to VERSA, monthly invoices paid
11-Jun-2024	Sandra Dilio	.30	55.20	post rental fees to GL, create deposit slip, deposit funds to Versa account
11-Jun-2024	Sandra Dilio	.50	92.00	invoicing clients for monthly meds
12-Jun-2024	Lisa Visconti	.10	18.40	invoices processed
12-Jun-2024	Sandra Dilio	.50	92.00	mailing - pay monthly invoices, calls to POAs for billing addresses for prescriptions
13-Jun-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices into the spreadsheet.
13-Jun-2024	Sandra Dilio	1.00	184.00	call POAs for clients at St. Patrick's - addresses required for invoices to be paid
17-Jun-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted Invoices into the spreadsheet.
17-Jun-2024	Evani Patel	.60	225.60	Processing payroll and paystubs for week ending June 15
17-Jun-2024	Lisa Visconti	1.00	184.00	invoices processed
17-Jun-2024	Sandra Dilio	.40	73.60	bank run to pick up bank draft
18-Jun-2024	Chahna Nathwani	.30	79.20	Revisions in website page as per Sheldon's comments
19-Jun-2024	Sandra Dilio	.30	55.20	post funds received A/R to GL, create deposit
21-Jun-2024	Lisa Visconti	.50	92.00	invoices processed
26-Jun-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices into the spreadsheet.
27-Jun-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices into the spreadsheet.
28-Jun-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices into the spreadsheet.
28-Jun-2024	Lisa Visconti	.30	55.20	invoices processed
28-Jun-2024	Sandra Dilio	.50	92.00	bank run - pick up and deposit draft
02-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	inserted invoices into the spreadsheet
02-Jul-2024	Evani Patel	.70	263.20	Creating paystubs for pay period ending Jun 29
03-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices into the spreadsheet
03-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for St. Patrick's home into the spreadsheet (to be continued)
03-Jul-2024	Lisa Visconti	1.00	184.00	invoices processed
03-Jul-2024	Sandra Dilio	.40	73.60	pay invoices and payroll cheques
03-Jul-2024	Sandra Dilio	.30	55.20	bank draft posted to GL and create deposit
04-Jul-2024	Augusto Barbosa de Olivei	1.50	319.50	Inserted individual invoices to the spreadsheet (approximately 300). Scanned documents and organized file.
04-Jul-2024	Lisa Visconti	.20	36.80	invoices processed

**Medical Arts Dispensary of Ottawa (2003) Ltd.**
**Summary of WIP to August 19, 2024**

Date	Description	Units	Amount	Notes
05-Jul-2024	Anne Nelligan	.10	21.40	cheque verification with Versa
05-Jul-2024	Augusto Barbosa de Olivei	.40	85.20	Inserted invoices from patients into the spreadsheet
08-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
09-Jul-2024	Augusto Barbosa de Olivei	.40	85.20	Inserted invoices for McKesson into the spreadsheet
09-Jul-2024	Sandra Dilio	1.50	276.00	scan and save invoices for medication not covered by OHIP
10-Jul-2024	Chahna Nathwani	.90	247.50	Teams call with S. Title on ODB number, Called Service Ontario public drug program dept re: getting information on registry, form submission and timeline process of transferring/applying for new ODB number, brief sent it to S. Title
11-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
11-Jul-2024	Lisa Visconti	2.40	441.60	invoices processed
12-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
15-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
15-Jul-2024	Evani Patel	.70	263.20	Payroll for week ending July 13
16-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
16-Jul-2024	Lisa Visconti	3.00	552.00	invoices processed
16-Jul-2024	Sandra Dilio	.40	73.60	bank run to pick up bank draft
16-Jul-2024	Sandra Dilio	.30	55.20	post bank draft to accounts receivable, create deposit, and deposit to Versa
17-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
18-Jul-2024	Sandra Dilio	.50	92.00	payroll cheques and monthly invoices - paid
19-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
19-Jul-2024	Chahna Nathwani	.10		Completing APA, fwd. to S. Title
22-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
25-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
25-Jul-2024	Chahna Nathwani	.30	82.50	Teams call with S. Title on pharmacy form, completed and fwd. to him
25-Jul-2024	Heather Ashrose	.10	20.50	Pcf City of Ottawa re pmnts
26-Jul-2024	Anne Nelligan	.10	21.40	question from Versa
26-Jul-2024	Anne Nelligan	.20	42.80	posting wire
26-Jul-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
29-Jul-2024	Lisa Visconti	1.60	294.40	invoices processed
29-Jul-2024	Sandra Dilio	.50	92.00	process monthly invoices
31-Jul-2024	Sandra Dilio	.50	92.00	run to TD to pick up bank draft
01-Aug-2024	Anne Nelligan	.10	21.40	verifying cheques
01-Aug-2024	Sandra Dilio	.40	73.60	post deposit to accounts receivable, create deposit slip and deposit to RBC/Versa, verify VERSA balance
06-Aug-2024	Anne Nelligan	.10	21.40	cheque verification for Versa
06-Aug-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
07-Aug-2024	Augusto Barbosa de Olivei	.30	63.90	Inserted invoices for McKesson into the spreadsheet
07-Aug-2024	Chahna Nathwani	.30	82.50	Modifying the report to the court, fwd. to Sheldon
09-Aug-2024	Lisa Visconti	.70	128.80	invoices processed
12-Aug-2024	Lisa Visconti	1.50	276.00	invoices processed
13-Aug-2024	Sandra Dilio	.50	92.00	copy and prepare for mailing - invoices for medications not covered
14-Aug-2024	Augusto Barbosa de Olivei	1.50	319.50	Inserted monthly invoices for the residents (more 300) into the spreadsheet.
14-Aug-2024	Danielle St. Pierre	2.50	532.50	French Sitecore
15-Aug-2024	Anne Nelligan	.10	21.40	cheque verification for Versa
15-Aug-2024	Sandra Dilio	1.00	184.00	scan and save July invoice and email to POA/caregivers for payment
19-Aug-2024	Augusto Barbosa de Olivei	.40	85.20	Inserted invoices for McKesson into the spreadsheet.
<b>Total Estate Administrator</b>		<b>69.10</b>	<b>14,612.20</b>	

Medical Arts Dispensary of Ottawa (2003) Ltd.

Summary of WIP to August 19, 2024

Date	Description	Units	Amount	Notes
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Total WIP		270.1	\$ 148,253.70	
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## **Appendix “F”**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**CWB MAXIUM FINANCIAL INC.**

Applicant

-and-

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES and SHERIF GERGES**

Respondents

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,  
R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,  
R.S.O. 1990, c. C-43, AS AMENDED

**AFFIDAVIT OF DAVID IM**

(sworn August 20, 2024)

**I, DAVID IM**, of the City of Toronto, in the Province of Ontario **MAKE OATH AND  
SAY AS FOLLOWS:**

1. I am a lawyer with the law firm of Chaitons LLP (“**Chaitons**”), lawyers for MNP Ltd., in its capacity as Court-appointed receiver of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Receiver**”) and as such have knowledge of the matters to which I hereinafter depose.

2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to the Receiver totalling \$25,358.40 (comprised of fees of \$22,302.50, disbursements of \$146.60 and HST of \$2,909.30) with respect to this proceeding:

**Exhibit “A”** - Account for the period beginning April 20, 2024 up to and including May 31, 2024;

**Exhibit “B”** - Account for the period beginning June 1, 2024 up to and including June 30, 2024; and

**Exhibit “C”** – Account for the period beginning July 1, 2024 up to and including July 31, 2024.

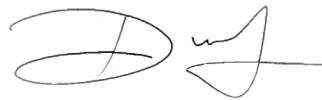
3. I confirm that the accounts described above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from April 22 to July 31, 2024.

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

**SWORN** remotely before me at the City of Toronto, Province of Ontario, on this 20<sup>th</sup> day of August, 2024, in accordance with O. Reg. 431/20, Administering Oaths or Declaration Remotely.



Commissioner for Taking Affidavits  
(or as may be)



**David Im**

Laura Culleton

**THIS IS EXHIBIT "A" TO  
THE AFFIDAVIT OF DAVID IM  
SWORN BEFORE ME THIS 20<sup>TH</sup>  
DAY OF AUGUST, 2024**

A handwritten signature in blue ink, appearing to be "R. P. [unclear]", is written over a horizontal line.

**A Commissioner Etc.**



**INVOICE NUMBER: 298387**

**May 31, 2024**

MNP LTD.  
1 ADELAIDE ST. EAST  
SUITE 1900  
TORONTO, ON M5C 2V9

**Re: COURT-APPOINTED RECEIVER OF MEDICAL ARTS  
DISPENSARY OF OTTAWA (2003) LTD. ET AL.  
Our file: 005715-87098**

---

**FOR PROFESSIONAL SERVICES RENDERED** on this matter up to and including May 31, 2024:

**PROFESSIONAL FEES**

SUBJECT TO HST	\$6,219.50	
SUB-TOTAL		\$6,219.50

**DISBURSEMENTS**

NON TAXABLE	\$69.95	
SUBJECT TO HST	\$76.65	
SUB-TOTAL		\$146.60
HST at 13.00%		\$818.50

**GRAND TOTAL**

---

**\$7,184.60**

Amount payable on the current invoice	\$7,184.60
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b><u>\$7,184.60</u></b>
<b>Trust Balance</b>	

---

HST No R124110933

INVOICE NUMBER: 298387

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

## PROFESSIONAL FEES:

Apr 20, 24	Review Application Record;
Apr 22, 24	Various emails and instructions to register order on title to property owned by individual respondents;
Apr 23, 24	Telephone call with S. Title;
Apr 25, 24	To review and register Application to Register Court Order;
Apr 29, 24	Email from and telephone call with S. Title;
Apr 29, 24	To preparation and registration of the application to register court order;
May 7, 24	Review emails; draft letter to bookkeeper and send to MNP for approval; receive comments; finalize and send letter;
May 9, 24	Review email from former bookkeeper; emails with receiver;
May 16, 24	Telephone conference call with receiver and D. Magisano;
May 20, 24	Review draft NDA and Sale Process; telephone call with S. Title;
May 22, 24	Revise NDA; review sale process; emails with S. Title;
May 26, 24	Telephone call with S. Title;
May 30, 24	Telephone call with S. Title to finalize sale process document;
	To all matters of a general nature not more particularly referred to herein;

## TOTAL PROFESSIONAL FEES

HST at 13.00%

**\$6,219.50**

808.54

**DISBURSEMENTS:**

**Subject to HST:**

Teranet Fee Taxable	\$11.65	
Teranet Electronic Registration Fee	\$65.00	
Taxable		\$76.65

**Non-Taxable:**

Registration/Filing Fee(s) Non-taxable	\$69.95	\$69.95
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**TOTAL DISBURSEMENTS**

**\$146.60**

HST at 13.00%

9.96

**GRAND TOTAL**

**\$7,184.60**

**CHAITONS LLP**



per:

Harvey Chaiton

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$895.00	6.10	\$5,459.50
ROBERT MILLER	\$800.00	0.70	\$560.00
MARAL ALACER	\$500.00	0.40	\$200.00
Total:		7.20	\$6,219.50

**THIS IS EXHIBIT “B” TO  
THE AFFIDAVIT OF DAVID IM  
SWORN BEFORE ME THIS 20<sup>TH</sup>  
DAY OF AUGUST, 2024**

A handwritten signature in blue ink, appearing to be "R. K. Williams", is written over a horizontal line.

**A Commissioner Etc.**

**INVOICE NUMBER: 298949**

**June 30, 2024**

MNP LTD.  
1 ADELAIDE ST. EAST  
SUITE 1900  
TORONTO, ON M5C 2V9

**Re: COURT-APPOINTED RECEIVER OF MEDICAL ARTS  
DISPENSARY OF OTTAWA (2003) LTD. ET AL.  
Our file: 005715-87098**

---

**FOR PROFESSIONAL SERVICES RENDERED** on this matter up to and including June 30, 2024:

**PROFESSIONAL FEES**

SUBJECT TO HST	\$6,834.50	
SUB-TOTAL		\$6,834.50
HST at 13.00%		\$888.49

<b>GRAND TOTAL</b>		<b>\$7,722.99</b>
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Amount payable on the current invoice	\$7,722.99
Plus outstanding invoices on this matter	\$7,184.60
<b>Amount Due</b>	<b><u>\$14,907.59</u></b>
<b>Trust Balance</b>	

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HST No R124110933

INVOICE NUMBER: 298949

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

**PROFESSIONAL FEES:**

Jun 1, 24	Emails and telephone call with S. Title;
Jun 20, 24	Telephone call with S. Title; telephone call and emails with S. Mandell re reinstatement of phone service by Bell Canada;
Jun 25, 24	Review file; review appointment order; correspond internally; correspond with MNP re inventory, conditions and the like; commence drafting Asset Purchase Agreement.
Jun 26, 24	Continue drafting form of Asset Purchase Agreement; internal correspondence re same; circulate for review.
Jun 27, 24	Review comments from S. Title on draft Asset Purchase Agreement; review comments from J. Haralovich on draft agreement; Teams call with client re changes; review OCP information regarding records retention for transfer of patient information/records; revise Asset Purchase Agreement and circulate for comment.
Jun 28, 24	Review updates to Asset Purchase Agreement and correspond with client.
	To all matters of a general nature not more particularly referred to herein;

**TOTAL PROFESSIONAL FEES**

HST at 13.00%

**\$6,834.50**

888.49

**GRAND TOTAL**

**\$7,722.99**

HST No R124110933

INVOICE NUMBER: 298949

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

**CHAITONS LLP**



per: \_\_\_\_\_  
Harvey Chaiton



**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$895.00	1.10	\$984.50
MICHAEL PASTERNAK	\$750.00	7.80	\$5,850.00
Total:		8.90	\$6,834.50

**THIS IS EXHIBIT "C" TO  
THE AFFIDAVIT OF DAVID IM  
SWORN BEFORE ME THIS 20<sup>TH</sup>  
DAY OF AUGUST, 2024**

A handwritten signature in blue ink, appearing to be "R. H. H. H.", is written over a horizontal line.

**A Commissioner Etc.**

**INVOICE NUMBER: 299733**

**July 31, 2024**

MNP LTD.  
1 ADELAIDE ST. EAST  
SUITE 1900  
TORONTO, ON M5C 2V9

**Re: COURT-APPOINTED RECEIVER OF MEDICAL ARTS  
DISPENSARY OF OTTAWA (2003) LTD. ET AL.  
Our file: 005715-87098**

---

**FOR PROFESSIONAL SERVICES RENDERED** on this matter up to and including July 31, 2024:

**PROFESSIONAL FEES**

SUBJECT TO HST	\$9,248.50	
SUB-TOTAL		\$9,248.50
HST at 13.00%		\$1,202.31

<b>GRAND TOTAL</b>		<b><u>\$10,450.81</u></b>
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Amount payable on the current invoice	\$10,450.81
Plus outstanding invoices on this matter	\$14,907.59
<b>Amount Due</b>	<b><u>\$25,358.40</u></b>
<b>Trust Balance</b>	

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HST No R124110933

INVOICE NUMBER: 299733

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

## PROFESSIONAL FEES:

Jul 9, 24	Telephone call with B. Lefebvre of McKesson;
Jul 10, 24	Telephone call with S. Title re offer; emails with M. Pasternack;
Jul 10, 24	Review correspondence; review proposed condition; research re Certificate of Accreditation from the Ontario College of Pharmacists; revise condition and circulate for review.
Jul 11, 24	Email and telephone call with S. Title; arrange telephone call with purchaser's lawyer;
Jul 12, 24	Telephone call with P. Saad; telephone call with S. Title; review offer; emails with P. Saad;
Jul 14, 24	Email to P. Saad;
Jul 15, 24	Telephone call with M. Pasternack; various emails;
Jul 15, 24	Review email chain; review internal correspondence; review process for ODB approval and new number; draft new condition in favour of both parties re OCP Certificate of Accreditation and ODB approval; circulate for review; review APA re outside date and condition fulfillment.
Jul 16, 24	Telephone call with S. Title; conference with M. Pasternack;
Jul 16, 24	Review correspondence between counsel for receiver and counsel for buyer; review APA; amend definition of closing date; draft new conditional clause for ODP and OCP approval; discuss internally; circulate to receiver for comment; discussion with MNP re covenant to file and make application; draft new stand-alone covenant and modify certain provisions to APA.
Jul 17, 24	Call with S. Title; correspond with counsel for buyer re APA.
Jul 18, 24	Correspond with counsel for purchaser; revise Asset Purchase Agreement by amending definitions and other terms and adding covenants and conditions; review markup; circulate for review by client; circulate for review by counsel.

Jul 19, 24      Review correspondence from Sheldon Title re deposit refund and forfeiture language; propose new language; circulate for review; forward to counsel and discuss same; revise APA and circulate; arrange for signature.

Jul 22, 24      Telephone call with S. Title and various emails re scheduling sale approval motion;

Jul 24, 24      Review OCP application; discuss seller signatory with P. Saad; correspond with client re same; discuss internally and respond to client.

Jul 25, 24      Discussion re court date and Outside Date; correspond with client re same; consider alternate court dates; review executed OCP application; note error and review revised, signed copy; discussions with counsel re purchase price deposit

Jul 26, 24      Prepare notice of motion; telephone calls with S. Title;

To all matters of a general nature not more particularly referred to herein;

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**TOTAL PROFESSIONAL FEES**

HST at 13.00%

**\$9,248.50**

1,202.31

**GRAND TOTAL****\$10,450.81****CHAITONS LLP**

per: \_\_\_\_\_

Harvey Chaiton

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$895.00	4.30	\$3,848.50
MICHAEL PASTERNAK	\$750.00	7.20	\$5,400.00
Total:		11.50	\$9,248.50

**THIS IS EXHIBIT “D” TO  
THE AFFIDAVIT OF DAVID IM  
SWORN BEFORE ME THIS 20<sup>TH</sup>  
DAY OF AUGUST, 2024**

A handwritten signature in blue ink, appearing to be 'R. H. H.', is written over a horizontal line.

**A Commissioner Etc.**

## **SUMMARY**

<b>Lawyer</b>	<b>Year of Call</b>	<b>Hours Billed</b>	<b>Hourly Rate</b>	<b>Amount Billed</b>
Harvey Chaiton	1982	11.50	\$895	\$10,292.50
Robert Miller	1984	0.70	\$800	\$560.00
Michael Pasternack	2000	15.00	\$750	\$11,250.00
Maral Alacer	2016	0.40	\$500.00	\$200.00
<b>Total Hours and Amounts Billed</b>		<b>27.60</b>		<b>\$22,302.50</b>
<b>Average Hourly Rate</b>			<b>\$808</b>	
<b>Total Costs</b>				<b>\$146.60</b>
<b>Total Taxes (HST)</b>				<b>\$2,909.30</b>
<b>TOTAL</b>				<b>\$25,358.40</b>



**CWB MAXIUM FINANCIAL INC.**

Applicant

**- and -**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD.**

Respondents

Court File No. CV-24-00095422-0000

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**  
Proceedings commenced at OTTAWA

**AFFIDAVIT OF DAVID IM**

**CHAITONS LLP**

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

**Harvey Chaiton (21592F)**

Tel: (416) 218-1129

Email: [harvey@chaitons.com](mailto:harvey@chaitons.com)

**Laura Culleton (82428R)**

Tel: (416)-218-1128

Email: [laurac@chaitons.com](mailto:laurac@chaitons.com)

Lawyers for MNP Ltd., Court-appointed  
Receiver

**CWB MAXIUM FINANCIAL INC.**

**- and -**

**MEDICAL ARTS DISPENSARY OF  
OTTAWA (2003) LTD. ET AL.**

Applicant

Respondents

Court File No. CV-24-00095422-0000

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***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**

Proceedings commenced at OTTAWA

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**FIRST REPORT OF MNP LTD.,  
COURT-APPOINTED RECEIVER OF  
MEDICAL ARTS DISPENSARY OF  
OTTAWA (2003) LTD.**

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**CHAITONS LLP**

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

**Harvey Chaiton** (LSO #21592F)

Tel: (416) 218-1129

Email: [harvey@chaitons.com](mailto:harvey@chaitons.com)

**Laura Culleton** (LSO # 82428R)

Tel: (416) 218-1128

Email: [Laurac@Chaitons.com](mailto:Laurac@Chaitons.com)

Lawyers for MNP Ltd., in its capacity as  
Court-appointed Receiver

# **TAB 3**

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

THE HONOURABLE

)

THURSDAY, THE 29<sup>TH</sup>

JUSTICE ●

)

DAY OF AUGUST, 2024

)

B E T W E E N:

**CWB MAXIUM FINANCIAL INC.**

**APPLICANT**

**AND**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**RESPONDENTS**

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by MNP Ltd. in its capacity as the Court-appointed receiver (the “**Receiver**”) over all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**Sale Agreement**”) between the Receiver and Joseph Saad and Maged Daoud, in trust for a corporation to be incorporated (the “**Purchaser**”) dated July 19, 2024 and appended to the First Report of the Receiver dated August 20, 2024 (the “**First Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement) (the “**Purchased Assets**”), was heard this day by judicial videoconference in Ottawa, Ontario.

**ON READING** the First Report, and on hearing the submissions of counsel for the Receiver, and such other counsel in attendance at the motion, as shown on the Participant Information Form, filed:

## SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms not defined herein shall have the meanings ascribed thereto in the Sale Agreement or the First Report, as applicable.

## APPROVAL AND VESTING

3. **THIS COURT ORDERS** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the **"Receiver's Certificate"**), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the **"Claims"**) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Rees dated April 19, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the **"Encumbrances"**); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

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

6. **THIS COURT ORDERS** the Receiver to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof by the Receiver to the Purchaser.

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

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

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

## **SEALING**

8. **THIS COURT ORDERS** that Confidential Appendix 1 and Confidential Appendix 2 to the First Report shall be sealed, kept confidential and not form part of the public record, until Closing (as defined in the Sale Agreement) of the Transaction or further order of the Court.

**GENERAL**

9. **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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date hereof and is enforceable without further need for entry or filing.

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**Schedule “A” – Form of Receiver’s Certificate**

Court File No. CV-23-00702528-00CL

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

**B E T W E E N:**

**CWB MAXIUM FINANCIAL INC.**

**APPLICANT**

**AND**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**RESPONDENTS**

**RECEIVER’S CERTIFICATE  
(Closing of the Transaction for the Purchased Assets)**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Rees of the Ontario Superior Court of Justice (the “**Court**”) dated April 19, 2024, MNP Ltd. was appointed as the receiver (the “**Receiver**”) over all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated August ●, 2024 (the “**Approval and Vesting Order**”), the Court approved the asset purchase agreement made as of July 19, 2024 (the “**Sale Agreement**”) between the Receiver and Joseph Saad and Maged Daoud, in trust for a corporation to be incorporated (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtors’ right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate



confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

**THE RECEIVER CERTIFIES** the following:

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

**MNP LTD., solely in its capacity as Court-Appointed Receiver, and not in its personal capacity**

Per: \_\_\_\_\_

Name:

Title:

CWB MAXIUM FINANCIAL INC.  
(2003) LTD. et al.  
Applicant

-and-

MEDICAL ARTS DISPENSARY OF OTTAWA  
Respondents

Court File No. CV-24-00095422-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceedings commenced at OTTAWA

**ORDER**  
**(APPROVAL AND VESTING)**

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**Lawyers for MNP Ltd., in its capacity as  
Court-Appointed Receiver**

# **TAB 4**

Revised: January 21, 2014

Court File No. ~~—~~ CV-24-00095422-0000

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

THE HONOURABLE ) ~~WEEKDAY~~ THURSDAY, THE #29<sup>TH</sup>  
JUSTICE ~~—~~ ● )  
DAY OF ~~MONTH~~ AUGUST,  
~~20YR~~ 2024

B E T W E E N:

**PLAINTIFF**

Plaintiff

~~—and—~~

**DEFENDANT**

Defendant

CWB MAXIUM FINANCIAL INC.

APPLICANT

AND

MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES

RESPONDENTS

APPROVAL AND VESTING ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ MNP Ltd. in its capacity as the  
Court-appointed receiver (the "Receiver") over all of the ~~undertaking, property and~~ assets ~~of~~

~~[DEBTOR]~~, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement ~~of purchase and sale~~ (the "Sale Agreement") between the Receiver and ~~[NAME OF PURCHASER]~~ Joseph Saad and Maged Daoud, in trust for a corporation to be incorporated (the "Purchaser") dated ~~[DATE]~~ July 19, 2024 and appended to the First Report of the Receiver dated ~~[DATE]~~ August 20, 2024 (the "First Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the ~~assets described~~ Purchased Assets (as defined in the Sale Agreement) (the "Purchased Assets"), was heard this day ~~at 330 University Avenue, Toronto~~ by judicial videoconference in Ottawa, Ontario.

ON READING the First Report, and on hearing the submissions of counsel for the Receiver, ~~[NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE]~~ and such other counsel in attendance at the motion, as shown on the Participant Information Form, filed<sup>1</sup>:

### SERVICE AND DEFINITIONS

1. THIS COURT ORDERS that the time for service and filing of the Notice of Motion and Motion Record herein is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS that capitalized terms not defined herein shall have the meanings ascribed thereto in the Sale Agreement or the First Report, as applicable.

### APPROVAL AND VESTING

3. ~~1. THIS COURT ORDERS AND DECLARES~~ that the Transaction is hereby approved,<sup>2</sup> and the execution of the Sale Agreement by the Receiver<sup>3</sup> is hereby authorized and

<sup>1</sup> This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

<sup>2</sup> In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

<sup>3</sup> In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor

approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

4. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the **"Receiver's Certificate"**), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement ~~[and listed on Schedule B hereto]~~<sup>4</sup> shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the **"Claims"**)<sup>5</sup> including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ~~[NAME]~~ Rees dated ~~[DATE]~~ April 19, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; ~~and (iii) those Claims listed on Schedule C hereto~~ (all of which are collectively referred to as the **"Encumbrances"**, ~~which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D~~); and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

~~Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

~~<sup>4</sup> To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.~~

~~<sup>5</sup> The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

~~3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*]<sup>6</sup>; the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.~~

5. ~~4.~~ **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds<sup>7</sup> from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's<sup>1</sup> Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale<sup>8</sup>, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. ~~5.~~ **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's<sup>1</sup> Certificate, forthwith after delivery thereof.

~~6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer by the Receiver to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall~~

<sup>6</sup> Elect the language appropriate to the land registry system (Registry vs. Land Titles).

<sup>7</sup> The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

<sup>8</sup> This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

~~be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

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

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

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

## SEALING

8. **THIS COURT ORDERS** ~~AND DECLARES~~ that Confidential Appendix 1 and Confidential Appendix 2 to the First Report shall be sealed, kept confidential and not form part of the public record, until Closing (as defined in the Sale Agreement) of the Transaction ~~is exempt from the application or further order~~ of the ~~*Bulk Sales Act* (Ontario)~~Court.



**GENERAL**

9. **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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date hereof and is enforceable without further need for entry or filing.

~~Revised: January 21, 2014~~

Schedule ~~“A—”~~ – Form of Receiver’s Certificate

Court File No. ~~\_\_\_\_\_~~ CV-23-00702528-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

B E T W E E N:

**PLAINTIFF**

~~Plaintiff~~

~~—and—~~

**DEFENDANT**

~~Defendant~~

CWB MAXIUM FINANCIAL INC.

APPLICANT

AND

MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES

RESPONDENTS

RECEIVER’S CERTIFICATE  
(Closing of the Transaction for the Purchased Assets)

RECITALS

A. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Justice Rees of the Ontario Superior Court of Justice (the ~~“Court”~~) dated ~~[DATE OF ORDER], [NAME OF RECEIVER]~~ April 19, 2024, MNP Ltd. was appointed as the receiver (the ~~“Receiver”~~) over all of the ~~undertaking, property and~~ assets ~~of [DEBTOR],~~ undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the ~~“Debtor”~~).

DOC#11749326v1

~~DOCSTOR: 1201927\14~~

B. Pursuant to an Order of the Court dated ~~[DATE]~~ August 9, 2024 (the "Approval and Vesting Order"), the Court approved the asset purchase agreement ~~of purchase and sale~~ made as of ~~[DATE OF AGREEMENT]~~ July 19, 2024 (the "Sale Agreement") between the Receiver ~~[Debtor]~~ and Joseph Saad and ~~[NAME OF PURCHASER]~~ Maged Daoud, in trust for a corporation to be incorporated (the "Purchaser") and provided for the vesting in the Purchaser of the ~~Debtor~~ Debtors's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing ~~as~~ set out in ~~section 4 of~~ the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

**THE RECEIVER CERTIFIES** the following:

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

~~[NAME OF RECEIVER]~~ MNP LTD., solely  
in its capacity as Court-Appointed Receiver  
~~of the undertaking, property and assets of~~  
~~[DEBTOR]~~, and not in its personal capacity

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title:

Revised: January 21, 2014

**~~Schedule B—Purchased Assets~~**

Revised: January 21, 2014

~~Schedule C—Claims to be deleted and expunged from title to Real Property~~

~~Schedule D—Permitted Eneumbrances, Easements and Restrictive Covenants  
related to the Real Property  
(unaffected by the Vesting Order)~~

CWB MAXIUM FINANCIAL INC. MEDICAL ARTS  
DISPENSARY OF OTTAWA (2003) LTD. et al.  
Applicant -and- Respondents

Court File No. CV-24-00095422-0000

ONTARIO  
SUPERIOR COURT OF JUSTICE  
Proceedings commenced

ORIGINAL  
(APPROVAL AND SIGNATURE)

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Lawyers for MNP Ltd.,  
Court-Appointed Receiver

Document comparison by Workshare Compare on Thursday, August 22, 2024 11:01:02 AM

Input:	
Document 1 ID	file:///C:/Users/Antoinet/OneDrive - Chaitons LLP/Desktop/approval-and-vesting-order-EN.doc
Description	approval-and-vesting-order-EN
Document 2 ID	file:///C:/Users/Antoinet/OneDrive - Chaitons LLP/Desktop/Draft Approval and Vesting Order(11749326.1).docx
Description	Draft Approval and Vesting Order(11749326.1)
Rendering set	Standard

Legend:	
<u>Insertion</u>	
<del>Deletion</del>	
<del>Moved from</del>	
<u>Moved to</u>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	



<b>Statistics:</b>	
	Count
Insertions	141
Deletions	135
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	276

# **TAB 5**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

THURSDAY, THE 29<sup>TH</sup>

JUSTICE ●

)

DAY OF AUGUST, 2024

)

B E T W E E N:

**CWB MAXIUM FINANCIAL INC.**

**APPLICANT**

**AND**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**RESPONDENTS**

**ORDER  
(Ancillary Relief)**

**THIS MOTION**, made by MNP Ltd. (“**MNP**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) over all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”), acquired for, or used in relation to a business carried on by the Debtor, for an order, *inter alia*:

- a) approving the Asset Purchase Agreement dated July 19, 2024 (the “**Purchase Agreement**”) executed by Joseph Saad and Maged Daoud, in trust for a corporation to be incorporated, as purchaser (the “**Purchaser**”) and the Receiver as vendor, and authorizing the Receiver to complete the transaction for the purchase and sale of the

Purchased Assets (as defined in the Purchase Agreement) as contemplated therein (the “**Transaction**”);

- b) authorizing the Receiver to take all steps necessary to complete the Transaction and vesting title in the Purchased Assets to the Purchaser free and clear of all claims and encumbrances upon closing of the Transaction;
- c) approving the sealing of confidential appendices “1” and “2” to the First Report of the Receiver dated August 20, 2024;
- d) approving the First Report and the Receiver’s activities described therein;
- e) approving the Receiver’s Interim Statement of Receipts and Disbursements;
- f) approving the fees and disbursements of the Receiver and its counsel, Chaitons LLP;  
and
- g) approving the distributions described in the First Report.

was heard this day by judicial videoconference in Ottawa, Ontario.

**ON READING** the First Report and on hearing the submissions of counsel for the Receiver, and such other counsel in attendance at the motion, as shown on the Participant Information Form, filed:

1. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver as set out therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and Chaitons, as set out in the First Report, the Affidavit of John Haralovich sworn August 20, 2024 and the Affidavit of David Im sworn August 20, 2024, are hereby approved.

3. **THIS COURT ORDERS** that Sherif Gerges, as sole officer and director of the Debtor, immediately comply with the Receiver's request for information regarding the intercompany receivable described in the First Report, and provide or cause to be provided all book and records of the Debtor, including but not limited to accountant prepared financial statements and corporate income tax returns along with accountant prepared financial statements, corporate income tax returns for every company with outstanding debts to the Debtor.

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CWB MAXIUM FINANCIAL INC.

Applicant

-and-

MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD. et al.  
Respondents

Court File No. CV-24-00095422-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceedings commenced at OTTAWA

**ORDER**  
**(ANCILLARY RELIEF)**

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**Lawyers for MNP Ltd., in its capacity as  
Court-Appointed Receiver**

**CWB MAXIUM FINANCIAL INC.**

**- and -**

**MEDICAL ARTS DISPENSARY OF  
OTTAWA (2003) LTD. ET AL.**

Applicant

Respondents

Court File No. CV-24-00095422-0000

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***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**

Proceedings commenced at OTTAWA

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**MOTION RECORD**  
**(RETURNABLE AUGUST 29, 2024)**

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Lawyers for MNP Ltd., in its capacity as  
Court-appointed Receiver