

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43

MOTION RECORD

December 21, 2018

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TAB 1

Court File No. CV-18-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43

NOTICE OF MOTION

THE RECEIVER, Albert Gelman Inc. (the "Receiver"), will make a motion before a Judge of the Ontario Superior Court of Justice on January 15, 2019 at 10:00 a.m., or as soon after that time as the motion can be heard at 330 University Ave., Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached as Schedule "A" to this Notice of Motion:
 - (a) approving the First Confidential Report of the Receiver dated December 20, 2018 (the "Receiver's Confidential Report"), including the actions and activities of the Receiver described therein; and

- (b) approving the entering into of the Agreement of Purchase and Sale (the “APS”) with the Purchaser identified and defined in the Receiver’s Confidential Report, for 218 Jerseyville Road, Brantford, Ontario (the “Property”), together with any further amendments deemed necessary by the Receiver in its sole opinion, and vesting title to the Property in the Purchaser, or as it may further direct in writing, upon closing of the purchase agreement and the delivery of the Receiver’s Certificate to the Purchaser.
2. An Order substantially in the form attached as Schedule “B” to this Notice of Motion:
- (a) approving the Receiver’s First Report dated December 20, 2018, including the actions and activities of the Receiver described therein;
 - (b) approving the fees and disbursements of the Receiver and of the Receiver’s legal counsel to December 20, 2018;
 - (c) discharging the Receiver subject to completion of certain remaining activities described in the Receiver’s First Report and the Receiver’s Confidential Report, and the filing of a certificate (the “Receiver’s Certificate”) with the Court;
 - (d) sealing the Receiver’s Confidential Report until the filing of the Receiver’s Certificate;

- (e) authorizing and directing the Receiver to pay, after payment of all costs and professional fees in connection with the administration of the receivership, the Property and its sale, the following amounts in the following order of priority subject to such holdback as the Receiver deems necessary to complete the administration of the estate:
- (i) to the County of Brant, an amount equal to, but not exceeding, Islam Jassem (the "Debtor")'s indebtedness to the County of Brant in respect of outstanding property tax and penalties thereon (the "Brant Indebtedness");
 - (ii) to Fisgard Capital Corporation ("Fisgard"), an amount equal to, but not exceeding, the Debtor's indebtedness to Fisgard (the "Fisgard Indebtedness"); and
 - (iii) the balance of the remaining proceeds to be paid into Court, subject to further order of this Court.

3. Such further relief as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

A. *Background*

1. On August 16, 2018, prior to its appointment as Receiver, Albert Gelman Inc. ("AGI") was appointed by the Court as a Monitor ("Monitor") of the Property, which is owned by the Debtor.

2. On October 10, 2018, AGI was discharged as Monitor and appointed as Receiver over the Property by the Honourable Mr. Justice Penny.
3. The Property is located in the Town of Brantford, Ontario and contains a detached two-storey residential home which is approximately 5,600 square feet in size.
4. The Property was the subject of a criminal investigation and drug raid in which three individuals were arrested, and the police seized large quantities of fentanyl and cocaine from the residence.
5. After learning that there were traces of fentanyl, cocaine, and other substances throughout the Property, the Monitor took various steps to remediate the Property, as reported to the Court in the Monitor's First Report dated October 5, 2018.
6. Fisgard holds a first mortgage on title to the Property. As of December 22, 2018, \$967,785.81 was owing under the mortgage. Fisgard's mortgage is the only encumbrance registered on title to the Property.
7. Approximately \$12,000 was owing in property taxes, including penalties, to the County of Brant as of closing. The taxes owing will be paid on closing of the sale.
8. Shortly before the formation of the APS (as defined below), the Receiver was contacted by the Public Prosecution Service of Canada ("PPSC"), advising that a drug-trafficking investigation in connection with the Property was ongoing, and that the PPSC would be claiming an interest in the surplus proceeds from the sale of the Property under the *Controlled Drugs and Substances Act*.

9. The PPSC requested that no surplus proceeds from the sale of the Property be distributed back to the Debtor, her family members, or her unsecured creditors, until the Crown's interest in the surplus proceeds was adjudicated or until further order of the Court.

B. Marketing Process

10. The Debtor listed its Property for sale on August 15, 2018, and undertook a comprehensive sales process including marketing, advertising, and listing the Property on the Multiple Listing Service.

11. The Debtor received multiple offers for the Property, and ultimately entered into an agreement on November 10, 2018 to sell the Property to an arm's-length purchaser.

12. The transaction arranged by the Debtor did not close, in part due to the Receiver's advice to the prospective purchaser that the Debtor lacked the legal authority to convey title to the Property.

13. Subsequently, and following the remediation of the Property, the Receiver engaged an accredited real estate appraiser to conduct an appraisal of the Property (the "Appraisal"). The Receiver also engaged a real estate broker to obtain an opinion of value (the "Opinion of Value") and marketing proposal to sell the Property.

C. The Offer for the Property

14. The Receiver received an offer from the Purchaser's counsel on November 20, 2018 (the "Offer") and the parties entered into an agreement of purchase and sale on that date ("APS").

15. The Purchaser is the same party who entered into the agreement of purchase and sale directly with the Debtor on November 10, 2018. The Offer to the Receiver was slightly reduced from the original offer to the Debtor, in part to reflect the lack of certain amenities on the Property which the Purchaser had learned of in the intervening period.

16. The Applicant in this proceeding, Fisgard, has advised the Receiver that it consents to the sale by the Receiver on the terms set out in the APS.

17. The terms of the APS, including its selling price, are reasonable in light of the value set out in the Appraisal and the Opinion of Value. The sale process was reasonable in light of the actions taken by the Debtor to expose the Property to the market.

D. Proposed distribution of sale proceeds

18. The Receiver proposes to distribute the proceeds of the sale of the Property in the priority set out in paragraph 2(f) above.

E. Statutory and other grounds

19. It is in the interest of contributories and creditors that the proceedings should be continued under the supervision of the court.

20. Rules 1.04, 2.03, 3.02(1), 16, 37 and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.

21. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) the First Report of the Receiver dated December 20, 2018 and the exhibits thereto;
- (b) The First Confidential Report of the Receiver dated December 20, 2018;
and
- (c) such further and other evidence as the lawyers may advise and this Honourable Court may permit.

DATE: December ♦ , 2018

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FISGARD CAPITAL CORPORATION

Applicant

-and-

Court File No. CV-18-602596-00CL

**ISLAM JASSEM (AKA ISLAM HAMMADI
JASSEM) et al.
Respondents**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

NOTICE OF MOTION

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Lawyers for the Receiver

TAB A

APPROVAL AND VESTING ORDER

Court File No: CV-18-602596-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE) TUESDAY , THE 15TH DAY OF
) JANUARY, 2019
)

BETWEEN:

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by **Albert Gelman Inc.** in its capacity as the Court-appointed receiver (the “**Receiver**”) of the lands and premises municipally known as 218 Jerseyville Road, Brantford, Ontario (the “**Real Property**”) and for all of the assets acquired for, or used in relation to, the Real Property, including all proceeds therefrom, for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and the Purchaser (as identified and defined in the Receiver’s First Confidential Report dated December 20, 2018 (the “**First Confidential Report**”) made as of November 21, 2018 and appended to the First Confidential Report, and vesting in the Purchaser the Respondent, Islam Jassem (the “**Debtor**”)’s right, title and interest

in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day at Toronto, Ontario.

ON READING the First Report of the Receiver dated December 20, 2018 (the “**First Report**”) and the First Confidential Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served:

1. **THIS COURT ORDERS AND DECLARES** that the First Confidential Report and the activities of the Receiver set out therein are hereby approved.
2. **THIS COURT ORDERS AND DECLARES** 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.
3. **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 Penny dated October 10, 2018; (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 B 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 C) 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.

4. **THIS COURT ORDERS** that upon the registration in the Land Titles Division for the Land Registry Office of Brant (No.2) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule D 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 B hereto.

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 AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

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 and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, 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.

8. **THIS COURT ORDERS** that the First Confidential Report be sealed as confidential until the filing of the Receiver's Certificate.

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.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-18-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST****FISGARD CAPITAL CORPORATION**

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

RECEIVER’S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Penny dated October 10, 2018, Albert Gelman Inc. was appointed as the receiver (the “**Receiver**”) of the lands and premises municipally known as 218 Jerseyville Road, Brantford, Ontario (the “**Real Property**”) owned by Islam Jassem (the “**Debtor**”) including any assets acquired for, or used in relation to, the Real Property (collectively, the “**Property**”), including all proceeds therefrom.

B. Pursuant to an Order of the Court dated January 15, 2019, the Court approved the agreement of purchase and sale made as of November 21, 2018 (the “**Sale Agreement**”) between the Receiver and the Purchaser (as identified and defined in the Receiver’s First Confidential Report dated December 20, 2018) and provided for the vesting in the Purchaser of the Debtor’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 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 the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver on _____, 2019.

Albert Gelman Inc., solely in its capacity as Court-appointed Receiver of the Property, and not in its personal or corporate capacity and without personal or corporate liability

Per: _____

Name: **Bryan Gelman**

Title:

Schedule B – Claims to be deleted and expunged from title to Real Property

1. Charge registered as Instrument No. BC320787 on July 20, 2017 in favour of Fisgard Capital Corporation.
2. Notice of Assignment of Rents registered as Instrument No. BC321008 on July 24, 2017 in favour of Fisgard Capital Corporation.
3. Order of Justice Penny dated October 10, 2018 registered as Instrument No. BC347023

**Schedule C – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

None

Schedule D – Legal Description

Property Identifier Number (PIN) 32226-D152 (LT)

PT LT 53, CON 3 TWP BRANTFORD, PT 2, 2R6680; COUNTY OF BRANT

Municipally known as 218 Jerseyville Road, Brantford, Ontario

Fisgard Capital Corporation

Applicant

-and-

Court File No. CV-18-602596-00CL

**ISLAM JASSEM (AKA ISLAM HAMMADI
JASSEM) et al.
Respondent**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

APPROVAL AND VESTING ORDER

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Lawyers for the Receiver

TAB B

Court File No: CV-18-602596-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	TUESDAY, THE 15 th	DAY
)	JANUARY, 2019	
JUSTICE)		

B E T W E E N:

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

DISTRIBUTION AND DISCHARGE ORDER

THIS MOTION, made by **Albert Gelman Inc.** in its capacity as the Court-appointed receiver (the “**Receiver**”) of the lands and premises municipally known as 218 Jerseyville Road, Brantford, Ontario (the “**Real Property**”) for an order approving the distribution of proceeds from the sale of the Real Property, the fees and disbursements of the Receiver and its counsel and the discharge of the Receiver, was heard this day at Toronto, Ontario.

ON READING the First Report of the Receiver dated December 20, 2018 (the “**First Report**”) and the First Confidential Report of the Receiver dated December 20, 2018 (the “**First Confidential Report**”) and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served:

1. **THIS COURT ORDERS** that the First Report and the activities of the Receiver set out therein are hereby approved.
2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel for the period ended December 20, 2018, as set out in the First Report, as well as the estimated reserves to complete the matters contemplated therein, be and are hereby approved;
3. **THIS COURT ORDERS** the Receiver's statement of receipts and disbursements as of December 20, 2018, and the accrued and estimated disbursements in order to complete its mandate, as set out in the Receiver's First Report, be and are hereby approved;
4. **THIS COURT ORDERS** that the Receiver is authorized and directed to pay from the proceeds of sale of the Real Property the following (the "**Distributions**"):
 - (a) any and all arrears of taxes, water or other utilities as may be owing in connection with the Real Property to the date of closing of the Transaction;
 - (b) the fees of the Receiver and counsel as described in the First Report;
 - (c) to Fisgard Capital Corporation ("**Fisgard**"), the amount of the secured indebtedness owed by the Debtor to Fisgard after payment of the items set forth in sub-paragraphs (a) to (b) above;
 - (d) the remaining proceeds to be paid into Court, subject to further order of the Court.
5. **THIS COURT ORDERS** that upon the Receiver completing the Distributions and the other matters contemplated in the First Report, and upon the Receiver filing with this Court a certificate substantially in the form appended hereto as Schedule 1 certifying that it made the Distributions and completed the other matters contemplated in the First Report, the Receiver shall be discharged as Receiver of the Property provided however that notwithstanding its discharge herein, (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding.
6. **THIS COURT ORDERS AND DECLARES** that Albert Gelman Inc., together with its directors, officers, employees, and agents are hereby released and discharged from any and all liability that they now have or may hereafter have by reason of, or in any way arising out of, the

acts or omissions of Albert Gelman Inc. while acting in its capacity as Receiver herein save and except for issues arising from gross negligence or wilful misconduct. Without limiting the generality of the foregoing, Albert Gelman Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for issues arising from gross negligence or wilful misconduct.

Schedule 1 – Form of Receiver’s Certificate

Court File No: CV-18-602596-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

RECEIVER’S DISCHARGE CERTIFICATE

1. By Order of the Ontario Superior Court of Justice dated October 10, 2018 (the “Receivership Order”), Albert Gelman Inc. was appointed receiver (the “Receiver”) of the Property.

2. Pursuant to an Order of the Court dated January 15, 2019 (the “Discharge Order”), the Court provided for the discharge of the Receiver upon certification that it has made the payments and completed the matters approved by and contemplated in the Discharge Order.

THE RECEIVER CERTIFIES that it has made all payments and completed all matters approved by and contemplated in the Discharge Order.

**ALBERT GELMAN INC., solely in its
capacity as the Court-Appointed Receiver
and not in its Personal Capacity**

Per: _____
Bryan Gelman, *CIRP, LIT*

Court File No. CV-18-602596-00CL

Fisgard Capital Corporation

-and-

**ISLAM JASSEM (AKA ISLAM HAMMADI
JASSEM) et al.**

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
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DISCHARGE ORDER

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TAB 2

Court File No. CV-18-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.
1990, c. C.43

**FIRST REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER**

(Dated December 20, 2018)

I. INTRODUCTION

1. This first report dated December 20, 2018 (“**First Receivership Report**”) is filed by Albert Gelman Inc. (“**AGI**”) in its capacity as Receiver (the “**Receiver**”), appointed pursuant to the Order of the honourable Mr. Justice Penny of the Ontario Superior Court of Justice, Commercial List, dated October 10, 2018 (the “**Receivership Order**”), without security, of the real property known municipally as 218 Jerseyville Road, Brantford, Ontario (hereinafter the “**Property**”), including any assets acquired for or used in relation to the Property including all proceeds thereof. A copy of the Receivership Order is attached hereto as **Appendix “A”**.

2. On August 16, 2018, prior to its appointment as Receiver, AGI was appointed by the Court as Non-CCAA Monitor (“**Monitor**”) of the Property, which is owned by Islam Jassem (“**Debtor**”). As Monitor, AGI’s powers included accessing the Property in order to inspect, conduct narcotics testing and to report back to the Court on its findings. The Monitor submitted its First Report to Court and First Confidential Report to Court (Collectively the “**Monitor’s Reports**”), both dated October 5, 2018. The Monitor’s Reports were approved by Order of

Justice Penny dated October 10, 2018, at which time the Monitor was also discharged. Copies of the Monitor's appointment Order dated August 16, 2018 and the Monitor's discharge order dated October 10, 2018 are attached hereto as **Appendix "B"** and **Appendix "C"**.

II. PURPOSE OF THIS REPORT

3. The purpose of the First Receivership Report is to update the Court with respect to the actions and activities of the Receiver, including advising the Court of the Agreement of Purchase and Sale between the Receiver and the Purchaser of the Property, and to seek:

- a. an order:
 - i. approving the First Confidential Report of the Receiver dated December 20, 2018 ("**Receiver's Confidential Report**") pertaining to the sale of the Property accompanied with an Order sealing same until the closing of the sale of the Property or until further order of the Court;
 - ii. approving the sale transaction (the "**Transaction**") contemplated by a binding Agreement of Purchase and Sale executed by the Receiver on November 19, 2018 (the "**Purchase Agreement**") between the Receiver and the Purchaser (identified and defined in the Receiver's Confidential Report) and vesting in the Purchaser, all right, title and interest in and to the Property absolutely free and clear of and from all encumbrances; and
- b. an order:
 - i. approving this First Receivership Report, including the actions and activities of the Receiver described herein,
 - ii. approving the Receiver's statement of receipts and disbursements as of December 20, 2018 ("**Final R&D**"), and the accrued and estimated disbursements in order to complete its mandate;

- iii. approving the professional fees and disbursements of the Receiver and its counsel, Paliare Roland and Capo Sgro (both defined below) to December 20, 2018, including the final accruals set out therein; and
- iv. approving the distribution of the proceeds of the Transaction to those persons and those amounts described in this First Receivership Report;
- v. approving the payment of the surplus proceeds from the Transaction into court or as the court may otherwise direct;
- vi. discharging the Receiver on filing of a certificate in the form attached to the Receiver's draft order; and,
- vii. providing for such further and other relief as this Honourable Court may deem just.

III. SCOPE AND TERMS OF REFERENCE

4. This First Receivership Report has been prepared to assist the Court in making a determination of the relief sought by the Receiver. Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Receiver does not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

5. This First Receivership Report should be read together with the Monitor's Reports. Capitalized terms used and not otherwise defined herein have the same meanings ascribed to such terms in the Monitor's Reports.

IV. BACKGROUND

6. The Property is comprised of a detached two-storey residential home built in 2009 which is approximately 5,600 square feet in size (including basement), located on a large parcel of land in Brantford, Ontario. The surrounding properties are comprised of large residential homes and farm land. The Property does not have municipal water and waste services, so it has a well and a septic tank onsite.

7. The Property was the subject of a criminal investigation and drug raid (“**Raid**”) in which three individuals were arrested, and the police seized large quantities of fentanyl and cocaine from the residence.

8. The Monitor engaged Canadian Decon Solutions (“**CDS**”) to conduct narcotics testing, which tests concluded that there were traces of fentanyl, cocaine and other substances found throughout the Property. The formal test results as well as CDS’s proposed remedial action plan (“**Remediation Plan**”) and estimated cost outline was reported to the Court by the Monitor.

9. In its report to Court, the Monitor reported that the Debtor’s insurance company advised that they would be terminating coverage on the Property effective on October 11, 2018 for non-payment and that AGI’s insurance broker confirmed that it would only provide insurance coverage to the Receiver following a remediation of the Property.

V. ACTIONS OF THE RECEIVER

Possession and Remediation of the Property by the Receiver

10. Upon its appointment as Receiver on October 10, 2018, the Receiver attended at the Property in order to change the locks and take control of the Property, arrange for utilities accounts in its name and conduct an inspection with its property manager. The Receiver arranged for its property manager to attend at the Property twice per week to inspect the Property and report back to the Receiver.

11. The Receiver also registered the Receivership Order on title to the Property.

12. The Receiver’s plan was to have the Property remediated as soon as possible in order to secure property insurance through its broker and, thereafter, ready the Property for sale. Therefore, immediately following its appointment, the Receiver engaged CDS to remediate the Property in accordance with its Remediation Plan.

13. Pursuant to paragraph 3(c) of the Receivership Order and the Remediation Plan, CDS removed and disposed of all carpet in the Property and relocated the contents of the Property and all window coverings to four large storage pods (“**PODS**”), which the Receiver arranged to be

delivered and stored onsite. The contents of the Property were removed from the Property as the cost to clean the contents was prohibitive.

14. On October 18, 2018, during CDS's clean out and decontamination of the septic tank, they uncovered two small see-through plastic bags which were filled with a white substance. The bags were deteriorated and as such, liquids from the septic tank had penetrated the bags. The Receiver immediately contacted Detective Constable Cindy-Ann Shuffles ("**Shuffles**"), with the Asset Forfeiture and Community Street Crimes Units, who had knowledge of the Raid. That day, Shuffles arranged for a Police Officer to pick up the bags and dispose of them.

15. Once the initial decontamination process was completed, EFI Global (an external hygiene subcontractor of CDS), conducted testing of the Property which revealed that some areas in the house still required further decontamination. CDS conducted further decontamination until the desired test results were achieved. However, several of the light fixtures at the Property were continuously testing positive for narcotics so these light fixtures were removed from the Property by CDS.

16. On October 31, 2018, CDS provided the Receiver with EFI's final report dated October 31, 2018 ("**Final Remediation Report**") which concluded that the remediation efforts were effective in reducing the drug levels to the targeted objectives and that based on the results reported, the potential for adverse health effects had been eliminated and the Property was considered safe for re-occupancy. Attached hereto as **Appendix "D"** is a copy of the Final Remediation Report.

17. Upon receiving the Final Remediation Report, the Receiver arranged for property and liability insurance coverage through its broker, at a cost of \$1,183.68 per month.

Pre-receivership sale of the Property by the Debtor

18. In its reports to Court as Monitor, AGI reported that the Debtor had listed the Property for sale on August 15, 2018 and had sold it to a purchaser, which sale was scheduled to close on November 16, 2018.

19. Shortly following its appointment as Receiver on October 10, 2018, representatives of AGI and its counsel contacted the Debtor's lawyer, Philip Okpala ("**Okpala**") of the Okpala Law Offices, and the Debtor's listing agent Moe Hamzehian ("**Hamzehian**"), Broker of Record for Leadex Realty Inc., to advise them of the appointment of the Receiver and that a sale of the Property could not be completed by the Debtor as she could no longer to convey title to the purchaser.

20. In its call with Hamzehian, Hamzehian advised the Receiver that:

- a. the Debtor underwent a comprehensive sales process including marketing and advertising the Property and listing it on the Multiple Listing Service;
- b. the sales process brought forward several prospective purchasers and the Debtor received multiple offers; and,
- c. the offer which the Debtor accepted was negotiated with an arms-length purchaser.

21. The Receiver requested that Hamzehian provide it with details of the marketing and advertising process, as well as copies of journals/logs kept which would provide details on the showings and offers received. Despite the Receiver's request, Hamzehian did not provided the requested information.

22. The Receiver also contacted the real estate agent for the purchaser to advise them of the appointment of the Receiver and to enquire if the purchaser was interested in purchasing the Property from the Receiver. The purchaser's agent advised the Receiver to contact counsel for the purchaser, Ms. Harpreet Hans of Gunding Hans LLP ("**Hans**") for any further information relating to the Property. The realtor also advised the Receiver that they were aware of the Raid at the Property but they were unaware that the Property contained traces of narcotics until the agent read the Monitor's First Report to Court dated October 5, 2018 which was posted on the Receiver's case website.

23. The Receiver's counsel, Jeffrey Larry ("**Larry**") of Paliare Roland Rosenberg Rothstein LLP ("**Paliare Roland**"), contacted Hans who advised that her clients would like to do another walk-through of the Property as they had not seen the Property since their original walk-through

of the Property prior the Receiver's appointment and prior to the remediation which had taken place. The Receiver arranged for the prospective purchasers to conduct a walk-through of the Property. Following the walk-through Hans advised Larry that her clients were no longer interested in pursuing a purchase of the Property through the Receiver.

24. Several weeks later, Hans advised Larry that her clients requested the return of their purchase deposit from Hamzehian, and that before releasing the funds, he required confirmation from the Receiver that it was not claiming an interest in the deposit. The Receiver's counsel confirmed same to Hans.

Sale of the Property by the Receiver

25. Following the remediation of the Property, the Receiver engaged an accredited real estate appraiser to conduct an appraisal of the Property. The Receiver also met at the Property with Michael Switzer ("**Switzer**"), Managing Partner of Forest Hill Real Estate Brokerage, to (1) obtain an opinion of value and marketing proposal to sell the Property and (2) obtain Mr. Switzer's recommendation on what steps should be taken by the Receiver in order to maximize the selling price, particularly given that the Property had the stigma of being involved in the Raid.

26. The appraisal report dated October 23, 2018 ("**Appraisal**") and Switzer's Opinion of Value and Marketing Proposal dated November 18, 2018 ("**Switzer Report**") are both included in the Receiver's Confidential Report as they contain commercially sensitive information regarding the Property that could adversely impact the Receiver's sales of the Property in the event that the Transaction is not completed. Accordingly, for the reasons set out herein, the Receiver is seeking an Order sealing the Receiver's Confidential Report from the general public until either the closing of the Transaction or until further order of the Court.

27. On November 20, 2018, the Receiver received a phone call from Christina DiFelice ("**DiFelice**"), a real estate lawyer practising in Brantford, Ontario, advising that:

- a. she was retained by her clients (collectively the "**Purchaser**") who negotiated for the purchase of the Property with the Debtor and entered into an agreement of purchase and sale dated November 10, 2018;

- b. her clients paid a deposit to Hamzehian who was the listing broker representing both the buyer and the seller;
- c. prior to the appointment of the Receiver, her clients expressed an interest in purchasing the Property while it was listed for sale by the Debtor, but they were not successful in purchasing the Property at that time; and
- d. she became aware of the appointment of the Receiver when she searched title to the Property and located the Receivership Order which was registered on title.

28. A copy of the agreement of purchase and sale dated November 10, 2018 is included in the Receiver's Confidential Report.

29. The Receiver's counsel spoke with DiFelice to advise that the Debtor had no authority to enter into the sale transaction with the Purchaser and accordingly, the sale could not be completed by the Debtor. At the same time, the Receiver's counsel advised DiFelice that her clients could make an offer directly to the Receiver using the Receiver's form of agreement.

30. On November 19, 2018, following communication between DiFelice and the Receiver's counsel, the Purchaser submitted their offer to the Receiver, using the Receiver's form of agreement. The offer to the Receiver was slightly reduced from the original offer to the Debtor to reflect the lack of carpeting, window coverage and light fixtures.

31. On a confidential basis, the Receiver immediately advised the Applicant of the terms of the offer. The Applicant advised the Receiver that they consent to the sale by the Receiver for the selling price set out in the Purchase Agreement.

32. On November 21, 2018, the Receiver accepted the offer from the Purchaser for the sale of the Property. On November 22, 2018, the Purchaser delivered the deposit, required to be paid pursuant to the Purchase Agreement, to the Receiver's real estate lawyer Capo Sgro LLP ("**Capo Sgro**").

33. Subject to the approval of the Court of the Transaction, the closing date is scheduled to close within 10 days of Court approval.

Recommendation in Relation to the Purchase Agreement

34. It is the opinion of the Receiver that the selling price in the Purchase Agreement represents appropriate consideration for the Property and recommends Court approval for the following reasons:

- a. the selling price is reasonable given the value set out in the Appraisal and the Opinion of Value provided by Switzer;
- b. the Property was exposed to the market for a sufficient period of time in the pre-receivership sales process conducted by the Debtor, as described to the Receiver by Hamzehian; and,
- c. subject to obtaining court approval, the Receiver anticipates closing the Purchase Agreement within 10 days of obtaining the Approval and Vesting Order which is anticipated to be in January, 2019. This relatively short closing will reduce the costs, inherent risks and exposure associated with maintaining possession and control of the Property in the winter months.

VI. PROCEDURAL MATTERS

35. In accordance with the E-Service Protocol provisions of the Receiver Order, the Receiver posted copies of the Monitor's court materials as well as the Receivership materials on its case website at the URL <http://www.albertgelman.com/corporate-solutions/other-engagements/#Jassem> ("**Case Website**").

VII. STATEMENT OF RECEIPTS AND DISBURSEMENTS

36. Attached hereto at **Appendix "E"** is the Receiver's Final R&D dated December 20, 2018, which includes the proceeds from the sale of the Property, assuming that the Court approves the Transaction, as well as the final estimated accruals to complete the Receivership. The amounts of the proceeds of the sale of the Property and the total net surplus, have been redacted from this copy as they contain commercially sensitive information pertaining to the selling price of the Property. The Receiver has included a non-redacted copy of the Final R&D in its Receiver's Confidential Report.

37. In accordance with the funding provisions of the Receivership Order, the Receiver has borrowed \$60,000 from the Applicant in order to fund disbursements of the Receiver. The Receiver has issued Borrowing Certificate No. 1 to the Applicant dated November 5, 2018 as evidence of the borrowings. Attached hereto as **Appendix “F”** is a copy of the borrowing certificate.

VIII. DISTRIBUTION OF PROCEEDS FROM PROPERTY

Creditors secured against the Property

38. On closing of the Transaction, the Receiver intends to pay all outstanding property tax associated with the Property owing to the Country of Brant. Attached as **Appendix “G”** is the Statement of the Treasurer from the County of Brant as at November 15, 2018 which confirms total amounts due of \$10,310.60, which relates to arrears of \$122.96 from 2017 and current amounts owing for the 2018 year including penalties of \$10,187.64. The Receiver will compute the total amount owing on closing of the Transaction which will be paid in full. Given that the sale of the Property is scheduled to close in January, 2019, the Receiver estimates that a total of approximately \$12,000 will be due on closing.

39. The Receiver has conducted a title abstract search of the Property as at December 12, 2018 which has revealed a registration by Fisgard Capital Corporation (“**Fisgard**”) who is the Applicant in this matter and who holds a first mortgage on title to the Property. Fisgard also provided advances to the Monitor and the Receiver which continue to accrue interest at the same rate as the Fisgard mortgage.

40. The Receiver obtained a legal opinion from Capo Sgro (the “**Legal Opinion**”) that, subject to the assumptions and qualifications contained in the Legal Opinion, the security over the property granted in favour of Fisgard was a valid and enforceable first ranking security interest. Attached hereto as **Appendix “H”** is a copy of the Legal Opinion.

41. Fisgard has provided the Receiver with payout statement effective December 22, 2018 which indicates a balance due of \$967,785.81, which includes amounts owing for the Monitor’s two borrowing certificates and the Receiver’s borrowing certificate, with principal sums total \$43,375.88 and \$60,000, plus interest, respectively.

42. These amounts continue to accrue interest at a rate of \$209.65 per day. Attached hereto as **Appendix “I”** is a copy of Fisgard’s payout statement provided to the Receiver.

43. On closing the Transaction, the Receiver intends to pay the total amounts owing to Fisgard in relation to their mortgage and borrowing certificates.

Surplus Proceeds

44. The Receiver’s counsel has conducted a writ/execution search against title of the Property which, as of December 12, 2018 revealed no registrations. The Receiver has also conducted a search pursuant to the *Personal Property Security Act* (“PPSA”) against the name Islam Jassem, which revealed no registrations. Attached hereto as **Appendix “J”** are copies of the certificate from the County of Brant (Brantford) and PPSA search results.

45. Based on the Receiver’s Final R&D, including its estimated accruals to complete the Receivership, the Receiver anticipates having surplus funds in its trust account available for distribution to the Debtor. A final reconciliation of the surplus funds will be completed following closing of the Transaction, payment of the priority creditors and actual disbursements of the Receiver.

46. On November 1, 2018, the Receiver’s counsel, Mr. Larry, was contacted by Mrs. Myfanwy Smith, a federal prosecutor from the Public Prosecution Service of Canada (“PPSC”) in the integrated proceeds of crime unit. Mrs. Smith advised that the Ontario Provincial Police are conducting an investigation into drug-trafficking from the Property and that they are claiming an interest in the surplus proceeds from the sale of the Property pursuant to the *Controlled Drug and Substances Act*. The PPSC has requested that following the sale of the Property, that the Receiver not distribute any funds back to the Debtor, her family members or the Debtor’s unsecured creditors, until such time as the Crown’s interests in the surplus proceeds can be adjudicated or until further order of the Court. Attached hereto as **Appendix “K”** is a copy of the letter from the PPSC.

47. The Receiver will be serving the Debtor’s counsel, Mr. Okpala, with its motion materials so that it may respond to the request of the PPSC. The Receiver will update the Court in this regard on the return of the motion.

48. The Receiver proposes to pay the surplus proceeds into court or as this court otherwise directs.

IX. REMOVAL OF PERSONAL ASSETS FROM THE PROPERTY BY THE DEBTOR

49. As set out above, CDS relocated all of the Debtor's assets and personal property to four PODS located on the Property to enable them to decontaminate the interior of the Property.

50. On October 31, 2018, Larry counsel contacted the Debtor's counsel, Mr. Okpala, to arrange for the Debtor to remove the items from the PODS provided they signed a release in favour of the Receiver as contemplated in paragraph 3(c) of the Receivership Order.

51. Following several follow-up emails by the Receiver and its counsel to Mr. Okpala and the Debtor, on December 11, 2018, the Debtor contacted the Receiver to arrange for the removal of her personal assets from the PODS.

52. On December 19, 2018, the Debtor attended at the Property with a moving company in order to remove her personal assets. The Receiver's property manager attended onsite to supervise the process and obtained a signed form of the release from the Debtor and the movers in accordance with the Receivership Order.

53. The following day, a representative of CDS attended at the Property in order to test each of PODS for narcotics residue. Each storage container was tested with 10 samples and each of the samples returned negative. As such, CDS advised that a decontamination process of the PODS was not required.

54. The Receiver arranged for the PODS to be picked up by the vendor.

X. ACCOUNTS OF THE RECEIVER AND ITS COUNSEL

55. Attached hereto as **Appendix "L"** is the Affidavit of Bryan Gelman regarding the Receiver's fees from October 10, 2018 to December 20, 2018 accompanied by supporting time dockets. Included in the Receiver's invoice is an estimated accrual of 17.5 hours to complete its

mandate as Receiver, including closing the Transaction and attending in Court to speak to the matters at hand.

56. Attached hereto as **Appendix “M”** is the Affidavit of Sarita Sanasie of Paliare Roland, counsel to the Receiver, regarding its fees and disbursements from October 2, 2018 to December 19, 2018 accompanied by supporting time dockets. Included in Paliare Roland’s invoice is an estimated accrual of \$7,500 plus HST to complete its mandate as counsel to the Receiver, including closing the Transaction and attending in Court to speak to the matters at hand.

57. Attached hereto as **Appendix “N”** is the Affidavit of Vincenzo Perricone of Capo Sgro, real estate counsel to the Receiver, regarding its fees and disbursements from October 10, 2018 to December 20, 2018 accompanied by supporting time dockets. Included in Capo Sgro’s accounts is an estimated accrual of \$3,250 to complete its mandate as real estate counsel to the Receiver, including closing the Transaction.

58. The Receiver believes that its fees and disbursements, as well as the fees and disbursements of its Paliare Roland and Capo Sgro, are reasonable and should be approved by the Court.

All of which is respectfully submitted this 20th day of December, 2018.

**ALBERT GELMAN INC., solely in its
capacity as the Court-Appointed Receiver
and not in its Personal Capacity**



Per:

Bryan Gelman, *CIRP, LIT*

TAB A

3
Court File No.: CV-18-60596-00CL

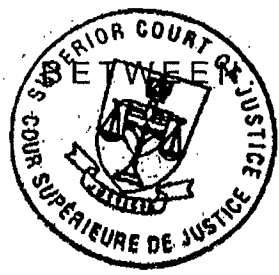
**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

WEDNESDAY, THE 10TH

JUSTICE PENNY

DAY OF OCTOBER, 2018



FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

**ORDER
(APPOINTING RECEIVER)**

THIS MOTION made by the Applicant, Fisgard Capital Corporation ("**Fisgard**") for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O 1990 c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. as receiver (in this capacity, the "**Receiver**") without security, of certain real property municipally known as 218 Jerseyville Road, Brantford, Ontario as more particularly described in Schedule "A" to this Order (the "**Real Property**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Angela Bull sworn October 4, 2018, and the Exhibits thereto, the First Report of the Albert Gelman Inc., in its capacity as Monitor (the "**Monitor Report**"), dated October 5, 2018 (including the First Confidential Report), and on hearing the submissions of counsel for the Applicant, no one else appearing, although duly served as appears from the affidavit of service of Victoria Gifford sworn October 5, 2018,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion 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 101 of the CJA, Albert Gelman Inc. is hereby appointed Receiver, without security, of all of the Real Property, including any assets acquired for, or used in relation to, the Real Property 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) without in any way limiting the generality of paragraph 2(b) above, to move and store any and all property, assets, and undertaking (the "**Personal Property**") located inside the Real Property. Once the Personal Property has been moved into storage, the Receiver will allow Islam Jassem (aka Islam Hammadi Jassem) (the "**Debtor**") to remove the Personal Property

from storage provided that the Debtor and any other persons who may assist the Debtor with such removal, execute a release in favour of the Receiver (in a form to be provided by the Receiver) for any damage, harm or loss that may result to the Debtor and/or such persons as a result of any contamination from or of the Personal Property.

- (d) to manage and oversee the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course together with entering into agreements and incurring obligations relating to the remediation of the Real Property and/or cease to perform any contracts, including, but not limited to, the (i) Agreement of Purchase and Sale for the Real Property, and (ii) the listing agreement with respect to the Real Property, as further described in the Monitor Report, entered into by the Debtor;
- (e) 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;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the or any part or parts thereof;
- (g) 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;
- (h) to settle, extend or compromise any indebtedness owing to the Debtor relating to the Property;

- (i) 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;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$25,000 provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

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

- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) 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;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the 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 agents, accountants, legal counsel and all other persons acting on her instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively,

being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

NO PROCEEDINGS AGAINST THE RECEIVER

7. **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

8. **THIS COURT ORDERS** that no Proceeding against or in respect of 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 Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against 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

10. **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 as it pertains to the Property, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor with respect to the Property 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.

RECEIVER TO HOLD FUNDS

12. **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 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

13. **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

14. **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

15. **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

16. **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

17. **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.

18. **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 Commercial List of the Ontario Superior Court of Justice.

19. **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

20. **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 \$150,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **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.

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. **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

24. **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 <http://www.albertgelman.com/corporate-solutions/Jassem/> (the "**Website**").

25. **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.

26. **THIS COURT ORDERS** that the Receiver may post all reports and related documents relating to its engagement as Monitor of the Property on the Website.

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

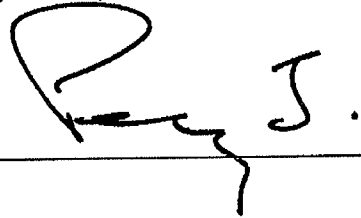
28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. **THIS COURT ORDERS** that the 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 Plaintiff'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.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 10 2018

PER / PAR:



SCHEDULE "A"

PT LT 53, CON 3 TWP BRANTFORD, PT 2, 2R6680; COUNTY OF BRANT

PIN 32226-0152 (LT)

Being municipally known as 218 Jerseyville Road, Brantford, Ontario

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. «number»

AMOUNT \$«amount»

1. THIS IS TO CERTIFY that Albert Gelman Inc., the receiver (the "Receiver") of 218 Jerseyville Road, Brantford, Ontario (the "Real Property"), including any assets acquired for, or used in relation to, the Real Property including all proceeds thereof including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the «day» day of «month», 2018 (the "Order") made in an action having Court file number CV-18-602596-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$«amount», being part of the total principal sum of \$«amount» 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» day of each month] after the date hereof at a notional rate per annum equal to the rate of «percentage» per cent above the prime commercial lending rate of Bank of «name» 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.

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

5. 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.

6. 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.

7. 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 October, 2018

«name of receiver», solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: _____
Name: »
Title: »

FISGARD CAPITAL CORPORATION
Applicant and ISLAM JASSEM et al.
Respondents

Court File No.: CV-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at **TORONTO**

**ORDER
(APPOINTING RECEIVER)**

LERNERS LLP
130 Adelaide Street West, Suite 2400
Toronto, ON M5H 3P5

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Lawyers for the Applicant

TAB B

Court File No. CV-18-602596-00CL

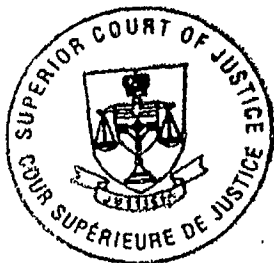
**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)

THURSDAY, THE 16TH

JUSTICE S.F. DUNPHY)

DAY OF AUGUST, 2018



FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
R.S.O. 1990, c. C.43

**ORDER
(appointing Non-CCAA Monitor)**

THIS APPLICATION made by the applicant for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Albert Gelman Inc. ("**Albert Gelman**") as non-CCAA Monitor (in such capacities, the "**Monitor**") without security, in the terms set out below, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Angela Bull sworn July 25, 2018, and the Exhibits thereto, the supplementary affidavit of Victoria Gifford, sworn August 15, 2018, and the Exhibits thereto, and the factum and book of authorities of the applicant and on hearing the submissions of counsel for the applicant, on being advised by counsel for the applicant that the Ontario Provincial Police take no position on the relief sought in the Amended Notice of Application, no one appearing for either of the Respondents or any

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other proper party although duly served as appears from the affidavits of service of Victoria Gifford sworn August 8, August 10, and August 15, 2018, and on reading the consent of Albert Gelman to act as the Monitor,

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 101 of the CJA, Albert Gelman Inc. is hereby appointed Monitor, without security, and with only the powers granted below, of the real property known municipally as 218 Jerseyville Road, Brantford, Ontario, which is more particularly described at **Schedule "A"** to this Order, together with the contents contained therein (the "**Property**"), which is the property of Islam Jassem (aka Islam Hamadi Jassem) ("**Jassem**").

MONITOR NOT IN POSSESSION OF THE ASSETS

3. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property without further Order of the Court.

4. **THIS COURT ORDERS** Jassem shall remain in possession of the Property, but shall not take any steps to dissipate the Property.

MONITOR'S POWERS

5. **THIS COURT ORDERS** that the Monitor is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and is hereby expressly empowered and authorized to do any of the following where the Monitor considers it necessary or desirable:

- (a) to engage consultants, appraisers, agents, experts, counsel and such other persons from time to time and on whatever basis, including on a temporary

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basis, to assist with the exercise of the Monitor's powers and duties, including without limitation those conferred by this Order;

(b) to report to, meet with and discuss with such affected Persons (as defined below) as the Monitor deems appropriate on all matters relating to the Property and the Monitor, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable; and

(c) 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 Monitor 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 Jassem, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE MONITOR

6. **THIS COURT ORDERS** that (i) Jassem, (ii) all of their current and former agents, accountants, legal counsel 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 grant immediate and continued access to the Property to the Monitor.

7. **THIS COURT ORDERS** that all Persons shall forthwith advise the Monitor of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of Jassem, 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 Monitor or permit the Monitor to make, retain and take away copies thereof and grant to the Monitor unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 7 or in paragraph 8 of this Order shall require the delivery of Records, or the

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granting of access to Records, which may not be disclosed or provided to the Monitor due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

8. **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 Monitor for the purpose of allowing the Monitor 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 Monitor in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Monitor. Further, for the purposes of this paragraph, all Persons shall provide the Monitor with all such assistance in gaining immediate access to the information in the Records as the Monitor may in its discretion require including providing the Monitor with instructions on the use of any computer or other system and providing the Monitor with any and all access codes, account names and account numbers that may be required to gain access to the information.

9. **THIS COURT ORDERS** that the Monitor shall have access to the Property at any time or times, including evenings, weekends and holidays, and Jassem shall take all reasonable steps to ensure that the Monitor will have such access, provided however that the Monitor shall exercise its access to the Property in such a manner as to minimally interfere with the affairs of Jassem.

10. **THIS COURT ORDERS** that, for greater certainty and without limiting the generality of the forgoing, the Monitor's authorized access to the Property includes but is not limited to access to inspect and appraise it, to perform environmental and narcotics testing on any parts of it, including testing of its water supply, ground water, septic system, and soil, and any other investigative measures necessary to determine the extent of any contamination of the Property.

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11. **THIS COURT ORDERS** that, notwithstanding that the Monitor is non-possessory, if the Monitor determines that the Property has been abandoned, or that the Monitor cannot get access to the Property from Jassem, the Monitor is hereby authorized and directed to seek the assistance of the Brantford County Ontario Provincial Police in gaining access to the Property.

NO PROCEEDINGS AGAINST THE MONITOR

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

NO PROCEEDINGS AGAINST JASSEM OR THE PROPERTY

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

14. **THIS COURT ORDERS** that notwithstanding paragraph 13, the Applicant may issue a demand letter, Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 (the "BIA"), and/or a Notice of Sale Under Charge/Mortgage pursuant to section 26(1) and 31(1) of the *Mortgages Act*, R.R.O. 1990, c. M.40, without further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that all rights and remedies against Jassem, the Monitor, or affecting the Property, are hereby stayed and suspended except with the written consent of the Monitor 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 Monitor or Jassem to carry on any business which Jassem is not lawfully entitled to carry on, (ii) exempt the Monitor or Jassem from compliance with statutory or regulatory provisions

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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 MONITOR

16. **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 Jassem, without written consent of the Monitor or leave of this Court.

EMPLOYEES

17. **THIS COURT ORDERS** that all employees of Jassem (if any) shall remain the employees of Jassem until such time as Jassem may terminate the employment of such employees. The Monitor 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 Monitor 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*.

LIMITATION ON ENVIRONMENTAL LIABILITIES

18. **THIS COURT ORDERS** that the Monitor shall not 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 Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this

- 7 -

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 MONITOR'S LIABILITY

19. **THIS COURT ORDERS** that the Monitor 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. Nothing in this Order shall derogate from the protections afforded the Monitor by section 14.06 of the BIA or by any other applicable legislation.

MONITOR'S ACCOUNTS

20. **THIS COURT ORDERS** that the Monitor and counsel to the Monitor 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 Monitor and counsel to the Monitor shall be entitled to and are hereby granted a charge (the "**Monitor'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 Monitor'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 (if applicable).

21. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

FUNDING OF THE MONITOR

22. **THIS COURT ORDERS** that the Monitor 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 \$150,000.00 (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 Monitor 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 "**Monitor'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 Monitor's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. **THIS COURT ORDERS** that neither the Monitor's Borrowings Charge nor any other security granted by the Monitor in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. **THIS COURT ORDERS** that the Monitor is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "B"** hereto (the "**Monitor's Certificates**") for any amount borrowed by it pursuant to this Order.

25. **THIS COURT ORDERS** that the monies from time to time borrowed by the Monitor pursuant to this Order or any further order of this Court and any and all Monitor'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 Monitor's Certificates.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the e-mail service of documents shall be valid and effective service on transmission.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with paragraph 26 is not practicable, the Monitor 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 Jassem's creditors or other

interested parties at their respective addresses as last shown on the records of Jassem 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

28. **THIS COURT ORDERS** that the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as a possessory receiver or trustee in bankruptcy of Jassem.

30. **THIS COURT ORDERS** that for greater certainty, the Monitor need not send notices under section 245 of the BIA.

31. **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 Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

32. **THIS COURT ORDERS** that the Monitor 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 Monitor 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.

- 10 -

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

34. **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 Monitor 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.

ADDITIONAL RELIEF TO CORRECT NAME ON PARCEL REGISTER

35. **THIS COURT ORDERS** that the Land Registrar for the Land Titles Division of Brant (No. 2) (the "Land Registrar") is authorized and directed to amend the following registrations against the Property to show the Chargor and the Assignor as "ISLAM JASSEM":

(a) Charge registered as Instrument No. BC320787 on July 20, 2017, in favour of Fisgard Capital Corporation securing the principal sum of \$780,000; and

(b) General Assignment of Rents registered as Instrument No. SC1468521 on July 20, 2017, in favour of Fisgard Capital Corporation,

which registrations incorrectly described the Chargor and Assignee as "ISLAM JASSAM" as a result of a typographical error on the aforesaid registrations.

36. **THIS COURT FURTHER ORDERS** that the Land Registrar is authorized to delete from the Parcel Register this Order upon the discharge or deletion of the aforesaid registrations.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 16 2018

PER/PAR: RW

- 11 -

SCHEDULE "A"

PT LT 53, CON 3 TWP BRANTFORD, PT 2, 2R6680; COUNTY OF BRANT

PIN 32226-0152 (LT)

Being municipally known as 218 Jerseyville Road, Brantford, Ontario

SCHEDULE "B"

MONITOR CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

37. THIS IS TO CERTIFY that Albert Gelman Inc, the non-CCAA Monitor (the "Monitor") of the real property known municipally as 218 Jerseyville Road, Brantford, Ontario (the "Property"), which is the property of Islam Jassem (aka Islam Hamadi Jassem) ("Jassem"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number CV-18-602596-00CL, has received as such Monitor from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Monitor is authorized to borrow under and pursuant to the Order.

1. 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.

2. 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 Monitor 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 Monitor to indemnify itself out of such Property in respect of its remuneration and expenses.

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

4. 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 Monitor to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

6. The Monitor 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 _____, 20__.

Albert Gelman Inc, solely in its capacity
as Monitor of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

FISGARD CAPITAL CORPORATION
Applicant and ISLAM JASSEM et al.
Respondents

Court File No.: CV-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at **TORONTO**

**ORDER
(Appointment of Non-CCAA Monitor)**

LERNERS LLP
130 Adelaide Street West, Suite 2400
Toronto, ON M5H 3P5

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Lawyers for the Applicant

TAB C

Court File No.: CV-18-602596-00CL

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

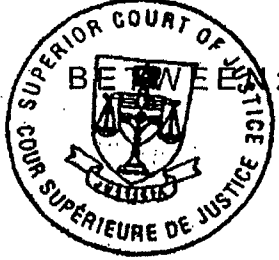
THE HONOURABLE

)
)
)
)

WEDNESDAY, THE 10TH

JUSTICE PENNY

DAY OF OCTOBER, 2018



FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE*
ACT, R.S.O. 1990, c. C.43

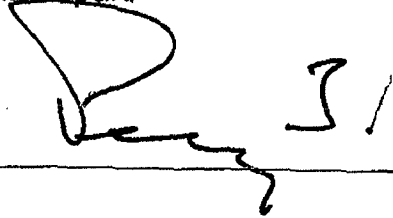
DISCHARGE ORDER

THIS MOTION, made by the applicant, for an Order discharging Albert Gelman Inc. as non-CCAA Monitor (the "**Monitor**"), without security and only with the powers granted in the Order of the Honourable Justice Dunphy dated August 13, 2018, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the first report of the Monitor dated October 5, 2018 (the "**Report**"), the Monitor's first confidential report dated October 5, 2018 ("**First Confidential Report**"), the affidavit of the Monitor as to fees (the "**Fee Affidavit**"), the affidavit of Angela Bull sworn on October 4, 2018 and on hearing the submissions of counsel for the Monitor, no one else appearing although served as evidenced by the Affidavit of Victoria Gifford sworn October 5, 2018, filed;

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion 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 the activities of the Monitor, including the Monitor's Statement of Receipts and Disbursements dated October 5, 2018, as set out in the Report, as well as the First Confidential Report are hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements of the Monitor, including estimated accruals to complete the Monitor's engagement, as set out in the Report and the Fee Affidavit, are hereby approved.
4. **THIS COURT ORDERS** that the Monitor's First Confidential Report dated October 5, 2018 shall be sealed until a sale of the Property has been sold or pending a further order of the Court.
5. **THIS COURT ORDERS** that the Monitor is hereby discharged as Monitor, provided however that notwithstanding its discharge herein (a) the Monitor shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the monitorship herein, and (b) the Monitor shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of Albert Gelman Inc. its capacity as Monitor.
6. **THIS COURT ORDERS AND DECLARES** that Albert Gelman Inc. is hereby released and discharged from any and all liability that Albert Gelman Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Albert Gelman Inc. while acting in its capacity as Albert Gelman Inc. herein, save and except for any gross negligence or wilful misconduct on the Monitor's part. Without limiting the generality of the foregoing, Albert Gelman Inc. is hereby forever released

and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Monitor's part.



A handwritten signature in black ink, appearing to be 'R. J.', is written above a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 10 2018

PER / PAR:



Handwritten initials 'pl' in black ink.

FISGARD CAPITAL CORPORATION
Applicant and ISLAM JASSEM et al.
Respondents

Court File No.: CV-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at **TORONTO**

DISCHARGE ORDER

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Lawyers for the Applicant

TAB D

Remediation Report

Site Location: 218 Jerseyville Road, Brantford, ON



Prepared By:

EFI Global

46 Jackson Street E, Hamilton, ON

Tel: (905) 393-2312

Fax: (905) 524-2536

EFI Global File No. 9620 6018 3178

October 31, 2018

EXECUTIVE SUMMARY

EFI Global (EFI) was retained by Canadian Decon Solutions (CDS) to assist with remediation of the residence located at 218 Jerseyville Road in Brantford to address risks posed from the presence of detectable levels of cocaine in 25 of the 31 areas within the home and the additional presence of one or more of fentanyl, procaine and/or methamphetamine in 6 of these areas. The objective of remediation was to achieve a non-detect level for those drugs generally considered to pose the more significant health risk such as fentanyl and methamphetamine and for cocaine which does not pose the same health risk, it was considered that a criterion of $0.1 \mu\text{g}/100\text{cm}^2$ would be conservative.

Prior to commencing the decontamination activities, all contents within the home were removed and placed into exterior storage bins for reported removal by the homeowner. All walls, floors, ceilings, cupboards and other fixed items (including laundry machine, water heater, toilets, and lighting fixtures) were then sprayed using an electrostatic sprayer initially with a hydrogen peroxide solution and then a second time with Dahlgren Decon Solution which neutralizes drugs such as fentanyl. Some of the Dahlgren solution was also poured into the various drains and toilet tanks prior to the contents of the septic tank being pumped out. All surfaces that were sprayed were washed with water after each application and wiped with clean pads to remove the decontamination solution.

Post-remedial sampling was completed using a Smiths Detector mobile spectrometer. Quality control/quality assurance samples were also collected using sterile methanol soaked wipes to validate the results from the Smiths Detector. The results reported show that remedial efforts were effective in reducing the drug levels to the targeted remedial objectives. Based on the results reported the potential for adverse health effects has been eliminated and the home is considered safe for re-occupancy.

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Table 1. Summary of Assessment Wipe Sample Results

FIGURES

Figure 1. Main Floor Layout
Figure 2. Basement Layout
Figure 3. Second Floor Layout

APPENDICES

Appendix A. Smiths Detector- Summary of Wipe Analysis Results
Appendix B. Laboratory Certificates of Analysis

1.0 INTRODUCTION

EFI Global (EFI) was retained by Canadian Decon Solutions (CDS) to assist with remediation of the residence located at 218 Jerseyville Road in Brantford to address risks posed from the presence of detectable levels of cocaine in 25 of the 31 areas within the home and the additional presence of one or more of fentanyl, procaine and/or methamphetamine in 6 of these areas. The work was performed in accordance with the proposal submitted by EFI and CDS to Albert Gelman Inc. (AGI), dated October 22, 2018. The objective of remediation was to chemically treat and clean the rooms where drug residue was detected so that the rooms are restored to a condition considered safe for future occupants.

1.1 Background

EFI was previously retained by CDS to assist with an assessment and sampling of the home. As part of the assessment, wipe samples were collected throughout the home and tested using a Smiths Detection portable narcotic detection system. A summary of the assessment findings is presented in **Table 1**. No drug powder or paraphernalia was observed during completion of the assessment with one exception, bags of drug powder were found within the septic tank and these were removed and confiscated by the police.

Only test samples from 6 of the 31 areas assessed (one bedroom on the 2nd floor and in the basement, another bedroom, the laundry room, work room, cold cellar and foyer area at the base of the stairs) showed no indication of drug residue. The layout of the home and assessment findings are shown in **Figures 1, 2 and 3**.

While the sampling did not reveal obvious signs of contamination, given the widespread presence of drug residue in the home, CDS and EFI considered it prudent to decontaminate these areas as well. The results of the assessment along with recommendations for actions required to be undertaken in order to achieve the objective of rendering the home suitable for re-occupancy were documented in our work plan entitled "Proposed Remedial Action Plan" dated September 26, 2018.

2.0 REMEDIATION OBJECTIVE(S)

As there is no current regulated standards in Ontario for the cleanup of illicit drugs, EFI established an indoor cleanup level as non-detect for those drugs generally considered to pose the more significant health risk such as fentanyl and methamphetamine; the most common Standard in the United States for methamphetamine cleanup range is 0.1 $\mu\text{g}/100\text{cm}^2$ but can vary between 0.05 $\mu\text{g}/100\text{cm}^2$ and 0.5 $\mu\text{g}/100\text{cm}^2$ ⁽³⁾. As cocaine does not pose the same health risk, it was considered that a criterion of 0.1 $\mu\text{g}/100\text{cm}^2$ would be conservative. Surfaces within the home were to meet these values for these compounds in order to be considered safe for potential re-occupation by the owner and/or other families or tenants. These values were, in EFI's opinion, conservative and protective and at the same time were achievable for cleanup for most surfaces and materials.

3.0 REMEDIATION METHODOLOGY

3.1 Security

Access to the home during completion of remedial activities was restricted through the use of a lock box on the main entrance doorway. The code to the house was provided to CDS by AGI prior to the commencement of the works. The automatic garage opener was disconnected and all other access points were kept secure during completion of the works. No unauthorized access was permitted.

3.2 Worker Health and Safety

Due to the health hazards posed by some of the drugs detected such as fentanyl and methamphetamine, health and safety were a priority and measures were implemented to ensure the protection of personnel involved in completing this remediation project.

Prior to the start of assessment activities, a health and safety plan was prepared to address specific health and safety concerns for the work to be undertaken and establish procedures to be followed in the event of an emergency. Level B personal protective equipment (PPE), including chemically protective suits, was employed for staff working within the residence and naloxone syringes were kept ready. Tailgate meetings were also held at the start of each work day before entering the home.

During the first three days of remedial activities, exiting the home, personnel entered into a decontamination zone which was set up within the laundry room and was subjected to the decontamination procedure established. Personnel, materials, and equipment were decontaminated using Dahlgren Decon (DD) Solution®. After the solution was allowed to sit for 5-minutes personnel were wiped down with absorbent pads and water. Personnel would then move into the garage where a decontamination pool lined with sorbent pads was set up at the base of the stairs. This pool was used to remove their PPE. After three days, the treatment solutions had been applied and the risk of impact was considered low so PPE was downgraded and chemical suits were still worn but the decontamination wash was eliminated. All waste absorbent pads and P.P.E. used as part of the works were decontaminated and bagged for disposal.

For sampling purposes, multiple layers of nitrile gloves were worn so that the outer glove could be removed and disposed of without exposing the hand and to eliminate the potential for cross-contamination. Gloves were replaced between samples.

3.3 Ventilation

For the safety of on-site staff and to prevent the potential spread of possible residue within the ductwork, Ontario Cleaning Systems were retained to vacuum the ventilation system. Negative pressure was applied to the ventilation system and all vents sealed. The vacuum was then turned on and the air run through a high-efficiency particulate air (HEPA) filtration scrubber system to filter the air. Each vent was agitated using compressed air to help further dislodge

possible residue that may be present. The system was shut off during the application of the decontamination solution and follow-up washing activities but turned on after to encourage air circulation and aid in the drying of surfaces.

3.4 Treatment of Surfaces

As directed by AGI, prior to commencing the decontamination process, all contents within the home were removed and placed into exterior storage bins for reported removal by the homeowner. Drapes were removed and placed into bags and also placed into the bins. All carpeting including underpadding was removed and disposed of at the local landfill.



All surfaces were initially HEPA vacuumed. Air vents and faceplates to electrical outlets and switches were removed and the electrical box areas beneath also HEPA vacuumed. The vents and plates were then decontaminated using the DD Solution.

Walls, floors, ceilings, cupboards and other fixed materials within the home (including appliances, lighting fixtures, water tank and toilet tanks) were then sprayed using an electrostatic sprayer with Virox 5[®], a hydrogen peroxide solution. The solution was applied and allowed to work for a period of at least 24 hours. The process of decontaminating was initiated on the top floor and progressed down through to the basement with the garage and decontamination area being the last area treated. This was done to minimize the potential for tracking contamination into already sprayed rooms.

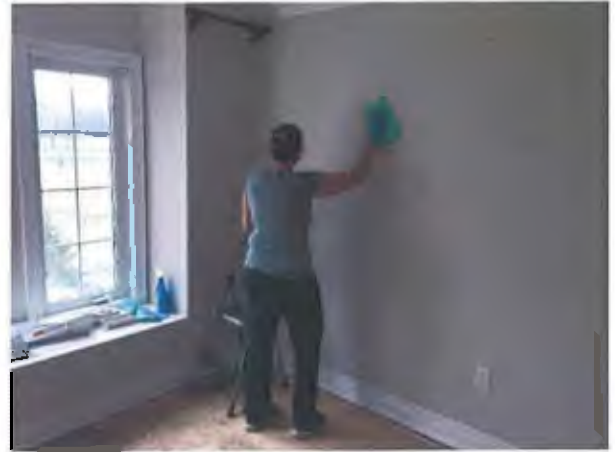
After the residence period had passed, the surfaces were washed with water and the household cleaner Mr. Clean.

Surfaces around the home were then assessed by collecting wipe samples and analyzing them using the Smiths Detector. Based on the findings the decision was made to spray the entire home a second time this time with the DD solution.

Some of the DD solution was also poured into the sink drains and the bathtub and shower drains and allowed to sit overnight before the drains and toilet were flushed with hot water.

3.5 Washing

Following each application of the treatment solution and an appropriate residence period, the walls, floor and ceilings were washed with water and a household cleaner using a clean cloth. New cloths and a fresh bucket of wash water were used for each room.



The rooms were cleaned in the same order as they were sprayed with the decontamination solution to minimize the potential for cross-contamination. Cleaning covered the entire surface of each area.

Wash water was not considered hazardous and was discharged to the sanitary sewer.

3.6 Waste Disposal

Carpeting along with used PPE and cloths used to clean treated surfaces items encountered were placed into garbage bags and removed from the basement and disposed of at a licensed facility in accordance with the regulations. In addition, after completion of efforts to decontaminate the connection ports and piping for the central vacuum system, the existing power unit/dirt-collection canister was removed from the garage and disposed of.

After all interior drains were flushed with DD, the contents of the septic tank were pumped out. Prior to cleaning out the tank, a couple of plastic bags were observed floating on the surface of the water, these were removed and bagged and then handed over to the Ontario Provincial Police. The septic tank was then vacuumed and the contents disposed of off-site.



3.7 Post-Remedial Sampling



Post-remedial sampling was conducted to show that remedial efforts had been effective in reducing the residual drug concentration levels to the targeted remedial objectives. Wipe samples were collected from surfaces within each of the rooms within the home including walls, floors, ceilings, windows, and other features that were expected to remain such as toilets and some lighting fixtures and the samples analyzed using the Smith detector. Based on the trace levels detected following the application of the hydrogen peroxide solution the decision was made to spray all surfaces a second time this time using the DD Solution. A second round of sampling completed after indicated the remedial objectives had been achieved.

3.8 Quality Assurance/Quality Control

As a quality control/quality assurance (QA/QC) measure composite wipe samples were collected from three rooms in the home to confirm the effectiveness of treatment measures by checking if there was evidence of residual drug residue. The sampling was completed using laboratory provided sterile methanol soaked wipes. Areas wiped within each room included around what was considered high traffic areas (light switches, doorknobs, baseboards), as well as the window sills and baseboards and areas of the four walls where in our judgement, residents within the home are likely to touch more frequently. The wipe was rubbed over a 100 square centimetre (100 cm²) area in each area, in a vertical, horizontal, and diagonal direction. The wipes were then placed in their sterile vial, and placed in their pre-labelled Ziploc bag prior to being secured in cool incubation for shipment to the laboratory under Chain of Custody for analysis.

Sample locations were designated:

- MF LIV – Main Floor Living Room
- SF BED1 – Second Floor Bedroom 1
- BA FAM – Basement Family Room
- Blank – Field Blank

The field blank was prepared by opening the wipe outside of the home and then immediately placing it into a vial and labelling it for analysis.

Samples were submitted to Cassen Testing Laboratories in Toronto, Ontario for cocaine analyses with two of the samples also being submitted for fentanyl analysis based on this substance also having been previously detected in these rooms.

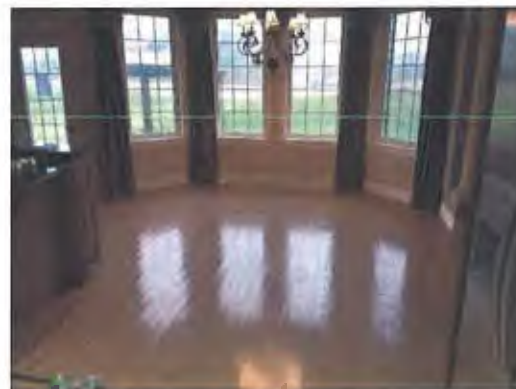
Additional QA/QC procedures included, but were not limited to:

- New, sterilized sampling containers or vials from the analytical laboratory were used to collect the confirmatory wipe samples;
- Between analysis of wipe samples using the Smiths detector, a blank was run following any positive detection to check the instrument and eliminate the potential for cross-contamination between sample analysis.
- A verif blank was run after every 50 samples run, to check the instrument calibration.
- Personnel conducting sampling wore new, clean nitrile chemical resistant gloves to collect the samples and handle all sample materials;
- Once samples were collected all laboratory containers were immediately sealed and upon exit from the house placed in cool incubation for transport to the analytical laboratory to prevent the temperature of the samples from rising to an unacceptable level; and,
- Documentation of approximate sampling locations, the date of sample collection and condition of samples.

4.0 ANALYTICAL RESULTS

4.1 Wipe Sample Results

The post-remedial wipe results for the wipe samples using the Smith Detector are presented in **Appendix A**. The results indicate that remedial efforts were effective in eliminating the potential hazards posed by the various drug residues previously detected. The lone exception was 6 chandeliers (located in the main floor office, a 2nd floor bedroom, two of the basement bedrooms, the basement kitchen and basement family room) which attempts were made to clean but a consistent clean result could not be obtained. It was decided that given the intricate design it would be difficult to satisfactorily clean them so the chandeliers were removed from the home and bagged.



4.2 Quality Assurance/Quality Control

The results from the QA/QC sampling are summarized in the table below. The Laboratory Certificates of Analysis for the QA/QC samples are included as **Appendix B**.

Sample ID	Sample Date	Sample Location	Cocaine Concentration ($\mu\text{g}/\text{cm}^2$)	Fentanyl Concentration ($\mu\text{g}/\text{cm}$)
Blank	Oct 23, 2018	Field Blank	<0.1 μg^1	<0.1 μg^1
MF LIV	Oct 23, 2018	Main Floor Living Room	0.002	< 0.001

SF BED1	Oct 23, 2018	Second Floor Bedroom 1	< 0.001	N.A
BA FAM	Oct 23, 2018	Basement Family Room	0.002	< 0.001

Note

1 – A concentration per unit area is not applicable for blank samples

<0.001 – Parameter was not detected at the lowest reportable laboratory method detection limit.

The laboratory results confirm that fentanyl concentrations are non-detect which validate the results obtained using the Smiths detector. A trace concentration of cocaine was detected in two of the three rooms tested however the concentrations reported are orders of magnitude below the remedial objective of 0.1 µg/100cm² established. It should be noted that for the confirmatory samples a methanol soaked wipe was used while the Smiths detector uses dry wipes. The presence of methanol, which is a common lifting agent, and the fact the QA/QC sample was also a composite as opposed to the discrete samples tested using the Smiths Detector are considered to be factors as to why a detection, albeit marginally above the laboratory reportable detection limit, was reported.

5.0 SUMMARY OF FINDINGS

The wipe samples collected throughout each of the rooms and analyzed by the Smiths detector were all reported with concentrations for substances of concern (fentanyl and methamphetamine) as non-detect and for cocaine at or below the respective remedial objective.

Based on the results reported, remedial efforts were effective in reducing the drug residue levels and the home, in EFI's opinion, should now be safe for safe for re-occupancy. Should the rooms be repainted, the paint and primer, if used, will also provide an added protective barrier.

6.0 REFERENCES

The following is a list of documents were referenced in preparing this report:

Source	Date
1. Cassen Testing Laboratories, SOP: Illicit Drugs – Collection of Surface Wipe Samples	2016
2. United States Environmental Protection Agency. Guidelines for Methamphetamine Laboratory Cleanup	March 2013
3. B.C. National Collaborating Centre for Environmental Health. Clandestine Amphetamine-derived Drug Laboratories: Remediation Guidelines for Residential Settings.	2012
4. The Interagency Board. Recommendations on Selection and Use of Personal Protective Equipment and Decontamination Products for First Responders Against Exposure Hazards to Synthetic Opioids, Including Fentanyl and Fentanyl Analogues.	2017
5. National Collaborating Centre for Environmental Health Clandestine Amphetamine-Derived Drug Laboratories: Remediation Guidelines for Residential Settings.	December 2012

7.0 LIMITATIONS

This report was prepared for the exclusive use of the Albert Gelman Inc. Any use which a third party makes of this report, or any reliance on or decisions made based on it, are at the sole risk of the parties. Furthermore, this report should not be construed as legal advice.

This report is based on data and information collected as part of the interior assessment of the residence at 218 Jerseyville Rd. in Brantford completed by CDS and EFI. There is no warranty, expressed or implied, by EFI that the home is free from all contamination. The assessment of conditions within the home has been based on the results of the chemical analysis of samples collected on the dates identified. No assurance is made regarding changes in conditions subsequent to the time of this work.

It is noted that currently there is no Ontario environmental legislation with regards to the assessment and remediation of properties contaminated by drug residue. Professional judgment has been used in undertaking efforts considered by EFI to have the highest likelihood of eliminating the contamination.

EFI accepts no responsibility for the consequential effects of this factual report on the real or perceived value of the 218 Jerseyville Rd property, on its saleability, or on the ability to gain financing.

Remediation Report
218 Jerseyville Rd, Brantford, ON



8.0 SIGNATURES

We trust this information is sufficient for your present purposes, If we can be of further assistance please give us a call.

Yours truly,

A handwritten signature in black ink, appearing to read "M. Ion".

Michael Ion
Project Manager
EFI GLOBAL®
46 Jackson St. E., Hamilton
ON, L8N 1L1
Telephone: (905) 524-1523
Direct: (905) 393-2309
E-mail: mion@efiglobal.ca

A handwritten signature in blue ink, appearing to read "Ian Mendes".

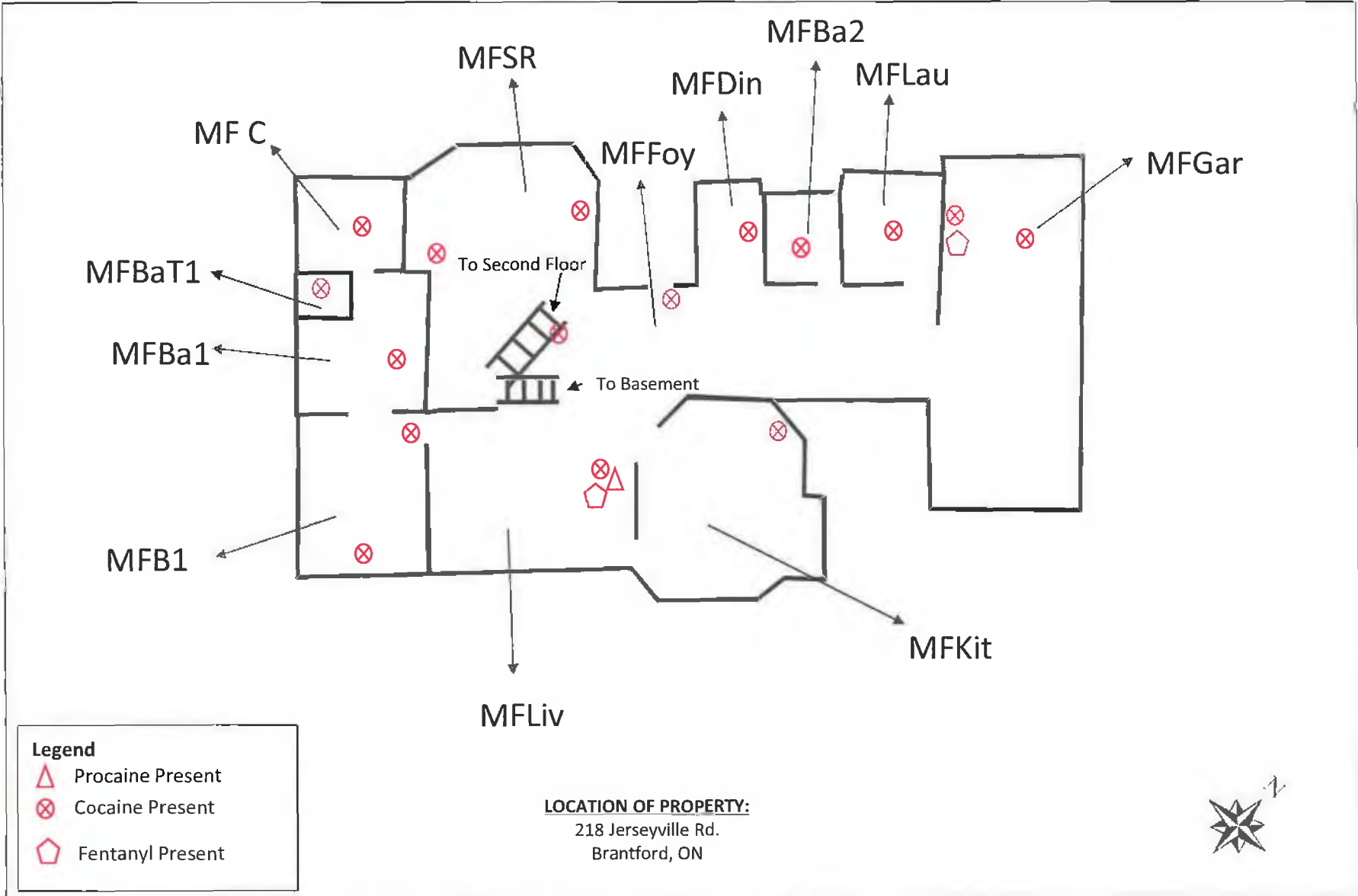
Ian Mendes, P.Eng. (ON)
Environmental Team Leader
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46 Jackson St. E., Hamilton
ON, L8N 1L1
Telephone: (905) 393-2312
Cell: (289) 253-9592
E-mail: imendes@efiglobal.ca






Client: AGI
 Location: 218 Jerseryville Rd, Brantford
 File No.: 9785 6017 6425

TABLE 1 - SUMMARY OF ASSESSMENT WIPE SAMPLE RESULTS

Location	Room	Result	Location	Room	Result
Main Floor	1 bedroom	Positive for Cocaine	Basement	4 bedrooms	All positive for Cocaine except Bedroom 2
	Sitting room	Positive for Cocaine		1 Work Room	Clear
	2 bathrooms	Positive for Cocaine		Cold Cellar	Clear
	Walk in closet	Positive for Cocaine		Foyer area at base of stairs	Clear
	Entrance foyer area	Positive for Cocaine		Sump room under stairs	Positive for Cocaine & fentanyl
	Dining room	Positive for Cocaine		Utility Room	Positive for Cocaine & fentanyl
	Living room	Positive for Cocaine, fentanyl & procaine		Laundry Room	Clear
	Kitchen	Positive for Cocaine		Bathroom	Positive for Cocaine
	Laundry room	Positive for Cocaine		Kitchen	Positive for Cocaine
	Garage	Positive for Cocaine & fentanyl		Family Room	Positive for Cocaine & fentanyl
2nd Floor	bedroom 1	Positive for Cocaine & fentanyl			
	bedroom 2	Positive for Cocaine			
	bedroom 3	Clear			
	2 Bathrooms	Positive for Cocaine			
	Central Vac	Positive for Cocaine & Methamphetamine			
	Upper Landing/Foyer	Positive for Cocaine			




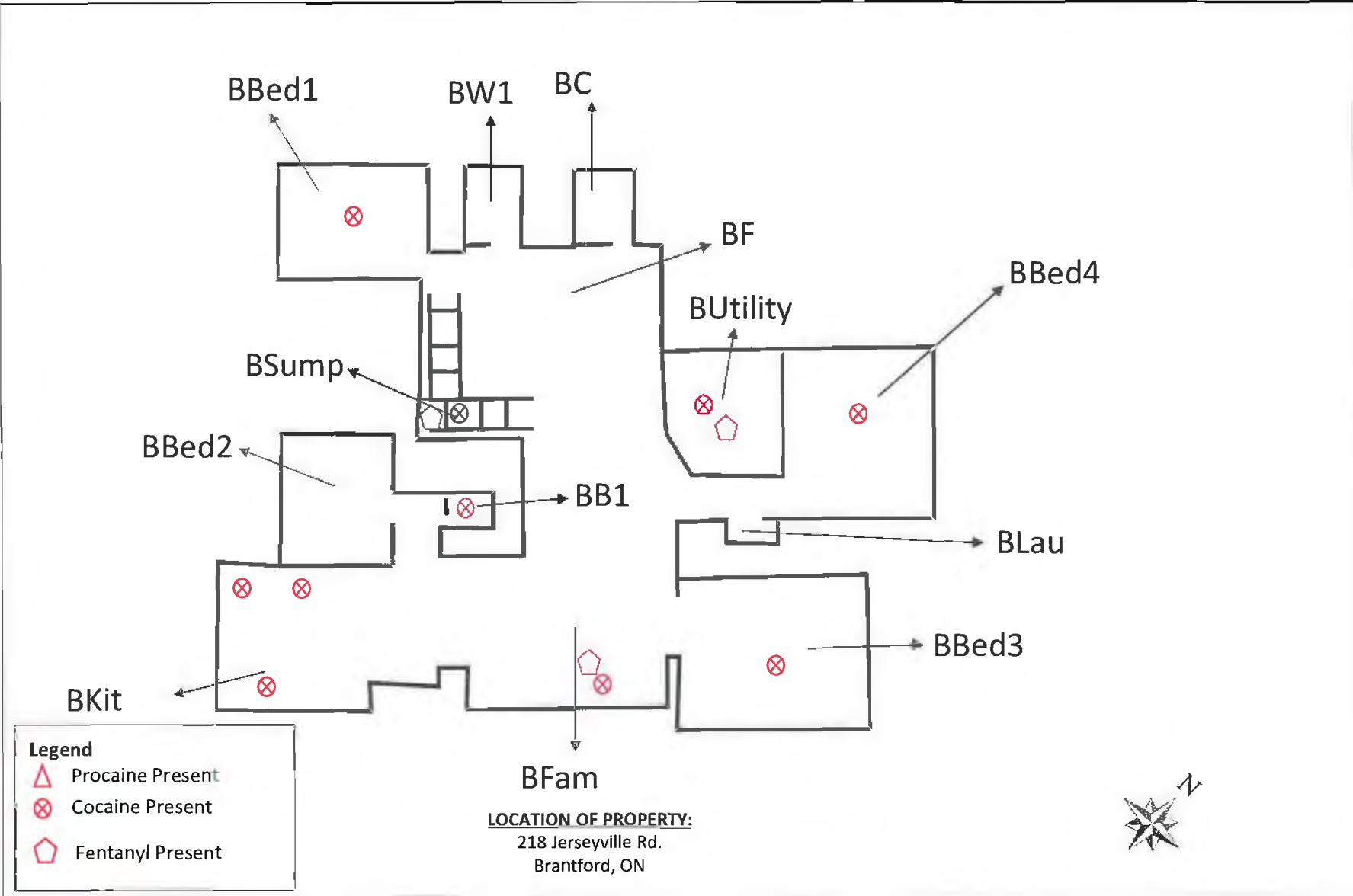
Legend

-  Procaine Present
-  Cocaine Present
-  Fentanyl Present

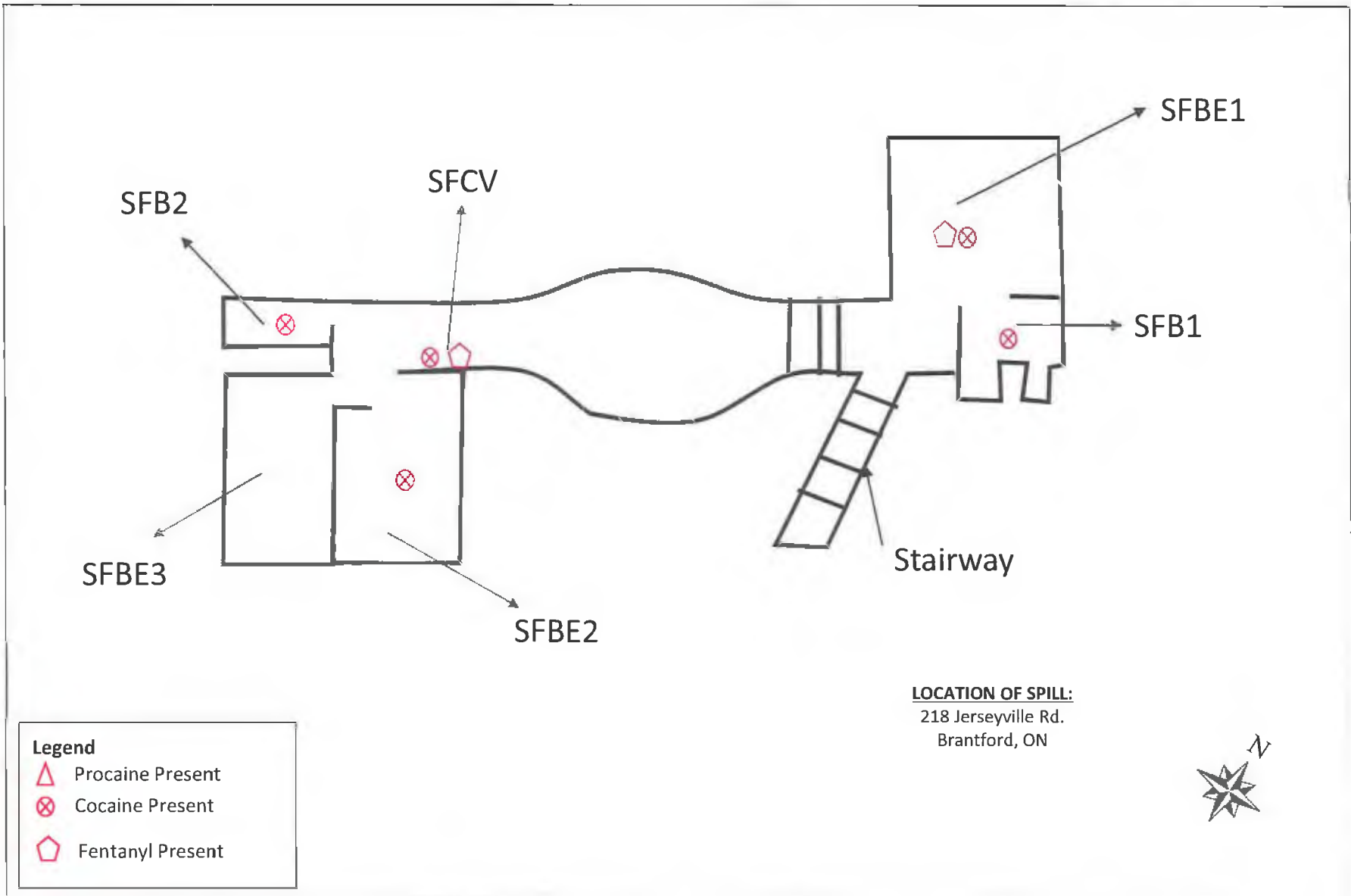
LOCATION OF PROPERTY:
 218 Jerseyville Rd.
 Brantford, ON




	Prepared By: MI	Scale: Not to Scale	Date: September 25, 2018
	Project Name: 218 Jerseyville Rd. Brantford, ON		File No.: 9620 6018 3178
	Figure Name: Main Floor Layout		Figure No.: 1



Prepared By:	MI	Scale:	Not to Scale	Date:	September 25, 2018
Project Name:	218 Jerseyville Rd. Brantford, ON			File No.:	9620 6018 3178
Figure Name:	Basement Layout			Figure No.:	2



	Prepared By: MI	Scale: Not to Scale	Date: September 25, 2018
	Project Name: 218 Jerseyville Rd. Brantford, ON		File No.: 9620 6018 3178
	Figure Name: Second Floor Layout		Figure No.: 3



DATE: October 30, 2018

LEAD TECHNICIAN:

Chris Andrews

POST-DECONTAMINATION / REMEDIATION

Time	Sample ID	Sample Location	Result	Re-Sample
9:47	543	MFBath1-w	Pass	N/A
9:47	544	MFBath1-t	Pass	N/A
9:47	545	MFBath1-S	Pass	N/A
9:47	546	MFBath1-D	Pass	N/A
9:52	547	MFDin-W	Pass	N/A
9:52	548	MFDIN-L	Pass	N/A
9:53	549	MFDIN-C	Pass	N/A
9:54	550	MFFOY-M	Pass	N/A
9:55	551	MFFOY-L	Pass	N/A
9:56	552	MFFOY-R	Pass	N/A
9:57	0:00	MFFOY-C	Pass	N/A
9:57	554	MFOFF-W	Pass	N/A
9:59	555	MFOFF-L	Pass	N/A
10:00	556	MFOFF-C	Fail Cocaine)	Removed
10:01	557	Blank	Pass	N/A
10:02	558	MFFOF-C-2	Pass	N/A
10:04	559	MFFOF-C-3	Pass	N/A
10:07	560	MFBEDCLO-W	Pass	N/A
10:08	561	MFBEDCLO-L	Pass	N/A
10:09	562	MFBEDCLO-S	Pass	N/A
10:11	563	MFBEDBATH-W	Pass	N/A
10:11	564	MFBEDBATH-T	Pass	N/A
10:12	565	MFBEDBATH-CO	Pass	N/A
10:13	566	MFBEDBATH-L	Pass	N/A
10:14	567	MFBED-W	Pass	N/A
10:15	568	MFBD-L	Pass	N/A
10:16	569	MFBD-D	Pass	N/A

10:17	570	MFBDBA	Pass	N/A
10:18	571	MFLIV-W	Pass	N/A
10:18	572	MFLIV-R	Pass	N/A
10:20	573	MFLIV-L	Pass	N/A
10:21	574	MFLIV-FP	Pass	N/A
10:22	575	MFKIT-W	Pass	N/A
10:24	576	MFKIT-CO	Pass	N/A
10:25	577	MFKIT-COI	Pass	N/A
10:26	578	MFKIT-C	Pass	N/A
10:27	579	MFKIT-CUP	Pass	N/A
10:30	580	Blank (between Floors)	Pass	N/A
10:32	581	SFBEDBATH-CLO	Pass	N/A
10:33	582	SFBEDBATH-L	Pass	N/A
10:34	583	SFBEDBATH-W	Pass	N/A
10:35	584	Verific	Verific Succesful	N/A
10:36	585	SFBEDBATH-CO	Pass	N/A
10:38	586	SFBEDBATH-T	Pass	N/A
10:39	587	SFBED-1-W	Pass	N/A
10:40	588	SFBD-1-L	Pass	N/A
10:42	589	SFBD-1-C	Amphetamine	N/A
10:43	590	SFBD-1-C-2	Pass	N/A
10:44	591	SFBD-1-C-3	Pass	N/A
10:44	592	SFBD-1-D	Pass	N/A
10:45	593	SFBD-1-CV	Pass	N/A
10:46	594	SFFOY-L	Pass	N/A
10:49	595	SFFOY-BR	Pass	N/A
10:49	596	SFFOY-RA	Pass	N/A
10:51	697	SFFOY-CV	Pass	N/A
10:53	598	SFBATH-TUB	Pass	N/A
10:54	599	SFBATH-T	Pass	N/A
10:55	600	SFBATH-CO	Pass	N/A
10:56	601	SFBATH-L	Pass	N/A
10:57	602	SFBED-2-W	Pass	N/A
10:58	603	SFBED-2-L	Pass	N/A
10:59	604	SFBED-2-CL	Pass	N/A
11:01	605	SFBED-2-D	Pass	N/A
11:02	606	SFBED-3-W	Pass	N/A
11:03	607	SFBED-3-L	Pass	N/A
11:04	608	SFBED-3-CL	Pass	N/A

11:05	609	SFBED-3-D	Pass	N/A
11:13	610	Blank (between Floors)	Pass	N/A
11:14	611	BAFOY-L	Pass	N/A
11:15	612	BAFOY-BA	Pass	N/A
11:18	613	BAFOY-WALL	Pass	N/A
11:19	614	BAWOR-CO	Pass	N/A
11:20	615	BAWOR-L	Pass	N/A
11:21	616	BAWOR-D	Pass	N/A
11:25	617	BABED-1-W	Pass	N/A
11:25	618	BABED-1-L	Pass	N/A
11:26	619	BABED-1-BA	Pass	N/A
11:27	620	BABED-1-D	Pass	N/A
11:28	621	BASUMP-US	Pass	N/A
11:29	622	BASUMP-S	Pass	N/A
11:30	623	BASUMP-WALL	Pass	N/A
11:31	624	BASUMP-D	Pass	N/A
11:32	625	BABATH-TUB	Pass	N/A
11:32	626	BABATH-T	Fentanyl	Re-sampled Oct 30 - Sample ID 717 - Pass
11:34	627	BABATH-T-2	Pass	N/A
11:36	628	BABATH-T-3	Pass	N/A
11:37	629	Verific	Verific Failed	N/A
11:38	630	Verific Successful	Pass	N/A
11:39	631	BABATH-T-4	Morphine	Re-sampled Oct 30 - Sample ID 718 Pass
11:42	632	BABATH-T-5	Pass	N/A
11:43	633	BABATH-TP	Pass	N/A
11:45	634	BABATH-D	Pass	N/A
11:47	635	BABATH-CO	Pass	N/A
11:49	636	BABED-2-C	Cocaine	Removed
11:50	637	Blank	Pass	N/A
11:50	638	BABED-2-C-2	Pass	N/A
11:52	639	BABED-2-C-3	Pass	N/A
11:53	640	BABED-2-W	Pass	N/A
11:55	641	BABED-2-CL	Pass	N/A
11:56	642	BABED-2-L	Pass	N/A
11:57	643	BABED-2-D	Pass	N/A
11:58	644	BAKIT-W	Pass	N/A
11:59	645	BAKIT-CO	Pass	N/A
12:00	646	BAKIT-COI	Pass	N/A
12:02	647	BAKIT-C	Cocaine	Removed

12:03	648	BAKIT-C-	Cocaine	Removed
12:03	649	Blank	Pass	N/A
12:05	650	BAKIT-C-2	Pass	N/A
12:05	651	BAKIT-C-3	Pass	N/A
12:07	652	BAKIT-D	Pass	N/A
12:08	653	BAFAM-CV-1	Pass	N/A
12:10	654	BAFAM-CV-2	Cocaine/Methamphetamine	Re-sampled Oct 30 - Sample ID 719 - Pass
12:11	655	Blank	Pass	N/A
12:12	656	BAFAM-CV-2-2	Methamphetamine	Re-sampled Oct 30 - Sample ID 720 - Pass
12:13	657	BAFAM-W	Pass	N/A
12:14	658	BAFAM-Wall	Pass	N/A
12:15	659	BAFAM-C-1	Pass	N/A
12:15	660	BAFAM-C-2	Cocaine	Removed
12:16	661	BAFAM-D	Pass	N/A
12:20	662	BABED-3-W	Pass	N/A
12:22	663	BABED-3-L	Pass	N/A
12:23	664	BABED-3-CL	Pass	N/A
12:24	665	BABED-3-D	Pass	N/A
12:23	666	BABED-C-1	Cocaine/Fentanyl	Removed
12:25	667	Blank	Pass	N/A
12:27	668	BABED-C-2	Cocaine/Fentanyl	Removed
12:27	669	BABED-C-2	Cocaine	Removed
12:28	670	Blank	Pass	N/A
12:30	671	BALAU-M	Cocaine	Re-sampled Oct 30 - Sample ID 721 - Pass
12:30	672	Blank	Pass	N/A
12:32	673	BALAU-M-2	Pass	N/A
12:32	674	BALAU-M-3	Pass	N/A
12:33	675	BALAU-L	Pass	N/A
12:34	676	BALAU-D	Pass	N/A
12:34	677	BABED-4-L	Pass	N/A
12:35	678	BABED-4-CL	Pass	N/A
12:36	679	BABED-4-BA	Pass	N/A
12:38	680	BAFUR-SUM	Pass	N/A
12:39	681	BAFUR-SH	Pass	N/A
12:40	682	Verific	Verific Failed	N/A
12:42	683	BAFUR-WT	Morphine	Re-sampled Oct 30 - Sample ID 722 - Pass
12:43	684	Blank	Pass	N/A
12:43	685	BAFUR-WT-2	Pass	N/A
12:44	686	BAFUR-WT-3	Cocaine	Re-sampled Oct 30 - Sample ID 723 - Pass

12:45	687	Blank	Pass	N/A
12:46	688	BAFUR-WH	Pass	N/A
12:46	689	BAFUR-D	Pass	N/A
12:47	690	BACOLD-SH	Pass	N/A
12:48	691	BACOLD-WALL	Pass	N/A
12:52	692	Blank(Power Error)	Pass	N/A
12:56	693	BACOLD-D	Pass	N/A
12:57	694	BAFOY-CV	Pass	N/A
13:29	695	MFLAU-D	Pass	N/A
13:29	696	MFLAU-W	Pass	N/A
13:30	697	MFLAU-L	Cocaine	Re-sampled Oct 30 - Sample ID 724 - Pass
13:31	698	Blank	Pass	N/A
13:32	699	MFLAU-M	Pass	N/A
13:32	700	MFGAR-L	Pass	N/A
13:34	701	MFGAR-CV	Cocaine	Re-sampled Oct 30 - Sample ID 725 - Pass
13:35	702	Blank	Pass	N/A
13:35	703	MFGAR-F	Pass	N/A
October 28 Sampling - Following Garage Contents Removal				
16:27	706	MFGAR - WB	pass	N/A
16:27	707	MFGAR - ST	Pass	N/A
16:28	708	MFGAR - D	Pass	N/A
16:29	709	MFGAR - W	Pass	N/A
16:30	710	MFGAR - DO	Pass	N/A
16:31	711	MFGAR - CV	Pass	N/A
16:33	712	MFGAR - CVP	Pass	N/A
16:34	713	MFGAR - F -1	Pass	N/A
16:35	714	MFGAR - F - 2	Pass	N/A



CASSEN Testing Laboratories

Advanced Scientific Solutions

51 International Blvd. Toronto, ON Canada M9W 6H3
Tel: (416) 679-9663 Toll Free: 1-866-423-3001 Fax: (416) 679-9668
info@cassen.ca www.cassen.ca

October 25, 2018

Mike Ion
EFI Global
46 Jackson St
Hamilton, Ontario
L8N1L1

**RE: Analytical Report for EFI Global Project: EFI - 3178
CASSEN Work Order No. 2509681**

Dear Mike,

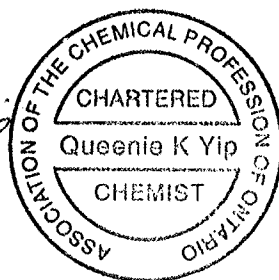
We have completed the 48 hour rush analysis of the 4 sample(s) that you submitted on October 23, 2018 for the determination of cocaine and fertanyl using gas chromatography mass spectrometry. Results of the analysis are summarized in the attached report, which includes the quality control data.

Mike, please feel free to give me a call at (416) 679-9663 should you need any clarification. Thank you for using our services.

Sincerely,

CASSEN Testing Laboratories

P.P. Queenie Yip
for Cecilia Chan, M.Sc., C.Chem
Laboratory Director





CASSEN Testing Laboratories

51 International Blvd., Toronto, Ontario, M9W 6H3
tel: (416) 679-9663 fax: (416) 679-9668 web: www.cassen.ca

EFI Global
ATTN: Mike Ion
46 Jackson St
Hamilton, Ontario, L8N1L1

Analytical Report

CASSEN Work Order #: 2509681
Date Received: October 23, 2018
Client Project Name / Number: EFI - 3178

Reviewed By:

Queenie Yip, B.Sc., C.Chem, QA Manager



CASSEN Testing Laboratories

51 International Blvd., Toronto, Ontario, M9W 6H3
tel: (416) 679-9663 fax: (416) 679-9668 web: www.cassen.ca

Analytical Results

Date: October 25, 2018

Organization: EFI Global
Address: 46 Jackson St, Hamilton, Ontario, L8N1L1
Contact: Mike Ion
Project: EFI - 3178

Work Order No.: 2509681
Date Received: October 23, 2018
Date Analyzed: October 24, 2018

Analysis Requested: Cocaine, Fentanyl
Instrument: Gas Chromatography Mass Spectrometry
CASSEN Method: M.3005.R0
Reference Method: CASSEN in-House Method
Sampling Media: Glass Fiber Filter - 37mm, 1 um (225-7)

No. of Samples: 3
No. of Blanks: 1

Cocaine

#	Lab ID	Sample Identification	Date Sampled (dd/mm/yy)	Sampling Area (cm ²)	Amount	Concentration
					Total (µg)	(ug/cm ²)
1	65543	MF - LIV	23/10/18	100	0.2	0.002
2	65544	SF - BED1	23/10/18	100	< 0.1	< 0.001
3	65545	BA - FAM	23/10/18	100	0.2	0.002
4	65546	Blank	23/10/18	N.A.	< 0.1	N.A.

See Final Page for Notes

Fentanyl

#	Lab ID	Sample Identification	Date Sampled (dd/mm/yy)	Sampling Area (cm ²)	Amount	Concentration
					Total (µg)	(ug/cm ²)
1	65543	MF - LIV	23/10/18	100	< 0.1	< 0.001
2	65545	BA - FAM	23/10/18	100	< 0.1	< 0.001
3	65546	Blank	23/10/18	N.A.	< 0.1	N.A.

See Final Page for Notes



CASSEN Testing Laboratories

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tel: (416) 679-9663 fax: (416) 679-9668 web: www.cassen.ca

Analytical Results

Date: October 25, 2018

Organization:	EFI Global	Work Order No.:	2509681
Address:	46 Jackson St, Hamilton, Ontario, L8N1L1	Date Received:	October 23, 2018
Contact:	Mike Ion	Date Analyzed:	October 24, 2018
Project:	EFI - 3178		

Quality Control Data

#	Analyte	CAS	Desorption Efficiency %	MRL (µg)
1	Cocaine	000050-36-2	82.64	0.1
2	Fentanyl	0000437-38-7	101.72	0.1

Notes:

- 1) N.A.: Information not available or not applicable.
- 2) < is defined as less than the indicated minimum reporting limit (MRL). The analyte is either not detected or less than the minimum reporting limit (MRL).
- 3) MRL (Minimum Reporting Limit): it is the lowest mass/concentration of analyte in a sample that can be reported with a defined reproducible level of certainty.
- 4) CAS Number is the Chemical Abstracts Service registry number corresponding to the target analyte.
- 5) Desorption Efficiency is defined as the percent (%) spike recovery of a target analyte from the sampling media using the described procedure.
- 6) The results obtained for the target analyte have been lab blank subtracted.
- 7) Amount is the mass of the target analyte in micrograms (µg) detected in the sampling media. The results have been corrected for desorption efficiency.
- 8) Concentration is the semi-quantitative amount in micrograms per square centimeter (µg/cm²) of sampling area. Sampling area used are those submitted to CASSEN Testing Laboratories.
- 9) CTL has established an ISO17025 reporting policy that a maximum of 3 significant figures will be reported for test results.
- 10) The sample(s) were received in acceptable condition unless otherwise noted.

Analyst:

Mark Reid, B.Sc., Analytical Chemist



This **Certificate of Analysis** shall not be reproduced except in full, without written approval of the laboratory. These analytical results pertain only to the samples as received in the laboratory. No responsibility or liability is assumed for the manner in which the results are used.



CASSEN Testing Laboratories

Division of CASSEN Group Inc.

51 International Blvd.
Toronto, ON M9W 6H3
Tel: (416) 679-9663
Fax: (416) 679-9668
Toll Free: 1-866-423-3001
Web: www.cassen.ca

FOR CASSEN USE ONLY
CASSEN Work Order No:

2509681

ANALYTICAL SERVICES REQUEST FORM

Send Report To: <input type="checkbox"/> Check if this is a new address	Invoice To (if different): <input type="checkbox"/> Check if this is a new address
Company: <u>EPI Global</u>	Company: _____
Address: <u>46 Jackson St. E</u>	Address: _____
City: <u>Hamilton</u> Province: <u>ON</u>	City: _____ Province: _____
Attention: _____ Postal Code: <u>L8N 1L1</u>	Attention: _____ Postal Code: _____
Phone: <u>905-528-8455</u> Fax: _____	Phone: _____ Fax: _____
Email: <u>MIA@EPIGlobal.ca</u>	Email: _____

Required Turnaround Time

Regular Routine Analysis Turnaround Time (5 Days)*

Open Characterization with Interpretation Requires 8 Days* TAT

8 Hours

24 Hours

48 Hours

72 Hours

Rush Analysis Options (Please Call Ahead)

Project Name / Number: EPI-3178 Sampled By: MI P.O. Number: 9620 6018 3178 Sampling Data Sheet Attached

Client Sample Number Description/Identification	Date Sampled (DD/MM/YYYY)	Sample Type	Active Sample Volume (L)	Passive Sample Time (mins)	Analysis Requested	Comment	LAB ID (For lab use)
<u>MF-LIV</u>	<u>23/10/2018</u>	<u>Swab</u>			<u>Cocaine / Fentanyl</u>	<u>100 cm²</u>	<u>65543</u>
<u>SF-BED</u>	<u>11</u>	<u>11</u>			<u>Cocaine</u>	<u>11</u>	<u>65544</u>
<u>BA-FAM</u>	<u>11</u>	<u>11</u>			<u>Cocaine / Fentanyl</u>	<u>11</u>	<u>65545</u>
<u>Blank</u>	<u>11</u>	<u>11</u>				<u>#</u>	<u>65546</u>

Special Instructions

CHAIN OF CUSTODY	Print Name	Signature	Date (DD/MM/YYYY)	Time	Sample Condition Upon Receipt
Relinquished by:	<u>Mika Io</u>	<u>[Signature]</u>	<u>23/10/2018</u>	<u>2:30 pm</u>	<input checked="" type="checkbox"/> Acceptable
Received by Lab:	<u>J. SHAMUEAT</u>	<u>[Signature]</u>	<u>23/10/2018</u>	<u>2:45 pm</u>	<input type="checkbox"/> Other (Explain Below)

Sample Condition
Additional Comments:

* Working days only, please consult the laboratory regarding workload. Samples received after 3:00PM will be treated as next day's samples. CASSEN's terms and conditions form a part of this contract for services. (See forms section of our website)

TAB E

Receiver's Statement of Receipts and Disbursements, including estimated accruals
Re: 218 Jerseyville Road, Brantford, Ontario
As at December 20, 2018

	<i>Actual to date</i>	<i>Estimated accrual to complete</i>	<i>Total</i>
Receipts			
Funding - Receiver Borrowing Certificate No. 1	\$ 60,000.00		60,000.00
Transfer from Monitor's trust account	2,198.98	3.35	2,202.33
Interest earned	0.57		0.57
Sale of property			
	62,199.55		
Disbursements			
Receiver's fees to Dec 20, 2018, including an accrual to complete		40,704.50	40,704.50
Legal Fees of Paliare Roland to Dec 19, 2018, including an accrual to complete		19,217.25	19,217.25
Legal Fees of Capo Sgro LLP to Dec 20/18, including an accrual to complete		7,956.25	7,956.25
Site remediation - Canadian Decon Solutions	45,779.65	2,000.00	47,779.65
Insurance on property	2,367.36	2,367.36	4,734.72
Snow removal		1,500.00	1,500.00
Lock change and property management	2,143.13	2,100.00	4,243.13
Utilities	972.18	1,000.00	1,972.18
Promeric License Fee	275.00		275.00
PODS Rental	1,976.46	2,000.00	3,976.46
Search fees		16.00	16.00
Photocopies and postage		500.00	500.00
Travel	169.79	546.10	715.89
Appraisal	1,500.00		1,500.00
Contingency		5,000.00	5,000.00
HST paid on disbursements	6,807.96	11,037.97	17,845.93
	61,991.53	95,945.43	157,936.96
Net receipts over disbursements, including accruals	\$ 208.02		
Estimated Distributions			
Property tax		12,000.00	12,000.00
Fisgard Capital Corporation as at Dec 22/18 plus estimated 35 days		975,122.75	975,122.75
Net estimated surplus	\$ 208.02		

TAB F

RECEIVER CERTIFICATE

CERTIFICATE NO. 1


AMOUNT \$60,000.00

1. THIS IS TO CERTIFY that Albert Gelman Inc, the receiver (the "**Receiver**") of 218 Jerseyville Road, Brantford, Ontario (the "**Real Property**"), including any assets acquired for, or used in relation to, the Real Property including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 10th day of October, 2018 (the "**Order**") made in an action having Court file number CV-18-602596-00CL, has received as such Receiver from Fisgard Capital Corporation (the "**Lender**") the principal sum of \$60,000.00, being part of the total principal sum of \$150,000 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 monthly, commencing on November 2, 2018 at a fixed rate of 8.40% per annum.
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.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender located at 3378 Douglas Street, Victoria, British Columbia.
5. 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.
6. 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.

7. 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 5th day of November, 2018.

Albert Gelman Inc, solely in its capacity
as Receiver of the Property (as defined in the
Order), and not in its personal capacity

Per: 

Bryan Gelman, A.S.O

TAB G



CORPORATION OF THE COUNTY OF BRANT
 26 PARK AVE
 P.O. BOX 249
 BURFORD, ON N0E 1A0
 TEL (519) 449-2451
 FAX (519) 449-1380

STATEMENT OF THE TREASURER

ISSUED TO

CAPO SGRO LLP
 BARRISTERS, SOLICITORS
 7050 WESTON RD., SUITE 400
 WOODBRIDGE ON L4L 8C7

STATEMENT AT **November 15, 2018**
 CERTIFICATE NO **6112**
 FEE PAID **\$ 50.00**
 REFERENCE **61309**

ROLL NUMBER
2920.004.050.33110.0000
 ASSESSED OWNER
JASSEM ISLAM HAMMADI

PROPERTY DESCRIPTION

218 JERSEYVILLE RD
 CON 3 PT LOT 53 RP 2R6680
 PART 2
 IRREG
 2.68AC 213.25FR 547.90D

PENALTY/INTEREST RATE **1.250 %**

TAX ARREARS

Statement showing arrears of taxes on the above lands. (Reference Section 352 of the Municipal Act S.O. 2001, c.25 as amended.)

2017	9,513.68	111.76	11.20	122.96
2016	9,741.38	0.00	0.00	0.00
2016+	9,555.64	0.00	0.00	0.00

STATEMENT OF CURRENT TAXES

(Issued pursuant to the provisions of Section 352 of the Municipal Act S.O. 2001, c.25 as amended.)

INTERIM	4,780.13	2018/03/01	2,390.00	2018/05/01	2,390.13	TAX	9,560.25
FINAL	4,780.12	2018/08/01	2,390.00	2018/10/01	2,390.12	PENALTY	627.39
SUPP/ADJ	0.00					TOTAL CURRENT	10,187.64
TOTAL	9,560.25						

TOTAL BALANCE DUE

LOCAL IMPROVEMENTS AND OTHER CHARGES ASSESSED ON THIS PROPERTY TO DATE INCLUDE:

--	--	--	--	--

Penalty and/or interest is levied on the first day following default of payment and on the first day of each month thereafter. Total taxes shown may include additions to the Collector's Roll as authorized by statute. This certificate is subject to additional taxes which may be levied pursuant to the provisions of the Municipal Act and/or the Assessment Act. This certificate is subject to the adjustment of taxes pursuant to the provisions of the Municipal Act and/or the Assessment Act.

I hereby certify that the above statement shows all amounts owing for taxes as of the day the certificate is issued. This tax certificate is issued under the authority of Section 352(1) of the Municipal Act, S.O. 2001, C.25.

CERTIFICATE IS SUBJECT TO CLEARANCE OF CHEQUES THROUGH BANK

[Signature]
 TREASURER/TAX COLLECTOR



CORPORATION OF THE COUNTY OF BRANT
 26 PARK AVE
 P.O. BOX 249
 BURFORD, ON N0E 1A0
 TEL (519) 449-2451
 FAX (519) 449-1380

CERTIFICATE NO. **6112**

CHANGE OF OWNERSHIP NOTICE

PROPERTY DESCRIPTION

218 JERSEYVILLE RD
 CON 3 PT LOT 53 RP 2R6680
 PART 2
 IRREG
 2.68AC 213.25FR 547.90D

ROLL NUMBER **2920.004.050.33110.0000**
 CLOSING DATE

RETURN POST-DATED CHEQUES ON FILE? YES NO
 CANCEL PRE-AUTHORIZED PAYMENT PLAN? YES NO

NEW OWNERS(S) _____
 MAILING ADDRESS _____
 FIRM _____

TAB H



CAPO SGRO LLP

Barristers. Solicitors

Frank C. Sgro*
 John A. Capo (1948-2008)
 Alistair T.M. Riswick*
 Frank A. Mendicino

*Operating as Professional Corporations

7050 Weston Road, Suite 400
 Woodbridge, ON L4L 8G7
 Telephone: 905 850 7000
 Toronto Line: 416 798 4838
 Facsimile: 905 850 7050

Erica D. Cappello
 Nancy Cellucci
 Diana A. Foggia
 Vince Perricone*
 Marc De Vuono
 Domenic M. Jannetta
 Venessa G. Capo
 Thomas E. Clark
 Michael D. Verrilli
 Joseph J.C. Sgro
 Alexandra G. Zaccagnini
 Andrea Maggiacomo
 Stephen A. Zampini
 David Wang

Counsel:

Gregory N. Hemsworth

DELIVERED VIA EMAIL: bgelman@albertgelman.com

December 20, 2018

Albert Gelman Inc.
 100 Simcoe Street, Suite 125
 Toronto, Ontario
 M5H 3G2
 Attention: Mr. Bryan Gelman

Dear Mr. Gelman:

Re: 218 Jerseyville Road, Brantford, Ontario

You have asked us in your capacity as court-appointed receiver of the property located at 218 Jerseyville Road, Brantford, Ontario, having the legal description set out in Schedule "E" (the "Property"), to review certain loan, security and related documentation relating to the Property in connection with the indebtedness of ISLAM JASSEM (the "Debtor") to FISGARD CAPITAL CORPORATION ("Fisgard").

SCOPE OF REVIEW

The scope of our review is limited to (a) those security and related documents listed in Schedule "A" hereto under the heading "Reviewed Documents" and (b) the Search Results (defined below)



(collectively, the "**Documents**"). The only searches and inquiries conducted by us are those referred to in this letter, the results of which are summarized in Schedule "D" attached hereto (the "Search Results").

We reviewed the Documents generally to identify any aspect of the Documents or any registrations which did not appear complete and regular on their face, or which appeared to raise material issues. We have also listed in Schedule "A" attached hereto documents that were not reviewed even though they are referenced in the Documents or were delivered at the time the indebtedness was incurred.

This report is limited to the laws of the Province of Ontario and the federal laws of Canada applicable therein. We express no opinion with respect to the validity of Documents to the extent such validity is governed by the laws of any other Jurisdiction.

ASSUMPTIONS AND QUALIFICATIONS

Our opinion as to the validity of the Documents is subject to the assumptions and qualifications set out in Schedules "B" and "C", respectively, attached hereto.

SEARCH RESULTS

Personal Property Searches

We conducted searches against the Debtor as noted in Schedule "D" under the following statutes:

1. *Bankruptcy and Insolvency Act* (Ontario and Canada);
2. Section 427 of the *Bank Act* (Canada);
3. *Executions Act* (Ontario); and
4. *Personal Property Security Act* (Ontario) (the "PPSA").

The results of our searches are summarized in Schedule "D". The Province of Ontario does not have a system for registering title to personal property and, accordingly, we cannot confirm whether the Debtor holds title to any of the personal property referred to herein.

Real Property Searches

On December 20, 2018, we conducted a search of title to the Property. The following is a summary of the results of the search and is not a full investigation of title to the Property. Given the limited nature of a search we do not express any opinion as to title to the Property.



The parcel register for the Property which we obtained as part of our search shows the following registrations:

PIN No. 32226-0152(LT)

1. Reference Plan registered as Instrument No. 2R6680 on May 4, 2006;
2. Transfer/Deed from Lioudmila Sytchouk and Stepan Sytchouk to Islam Jassem registered as Instrument No. BC320756 on July 20, 2017;
3. Charge/Mortgage granted by the Debtor in favour of Fisgard Capital Corporation, securing the principal sum of \$780,000.00, registered as Instrument No. BC320787 on July 20, 2017 (the "**Fisgard Mortgage**");
4. Notice of Assignment of Rents General granted by the Debtor in favour of Fisgard Capital Corporation, registered as Instrument No. BC321008 on July 20, 2017 (the "**Fisgard Assignment of Rents**");
5. Court Order registered in favour of Albert Gelman Inc., registered as Instrument No. BC 347023.

An execution search was conducted against the Debtor in the County of Brant (Brantford) on December 20, 2018, which search revealed that there were no executions registered against the Debtor.

SECURITY REVIEW

Subject to the assumptions and qualifications set out in this letter, we have the following comments on and opinions with respect to the Documents.

A. Fisgard Capital Corporation Loan

As security for a loan by Fisgard to the Debtor, the Debtor granted to Fisgard the Fisgard Mortgage and the Fisgard Assignment of Rents.

We understand that the Fisgard Mortgage was guaranteed by Asia Kazem (the "Guarantee"), as Asia Kazem is identified as "Guarantor" on the Fisgard Mortgage. We have not reviewed the Guarantee or any associated documents in connection with this opinion, and are giving no opinion with respect to the Guarantee whatsoever.

1. *Mortgage.* The Fisgard Mortgage grants, by its terms, a fixed charge in favour of Fisgard in the Property, subject to any provisions of the
2. *Assignment of Rents.* The Fisgard Assignment of Rents was registered against title to the Property on July 20, 2017. The Assignment of Rents provides that the Debtor assigned to Fisgard all leases and rents derived from the tenants of the Property.



OPINIONS WITH RESPECT TO VALIDITY AND PRIORITY OF SECURITY

In our opinion, based on the assumptions and subject to the qualifications set out herein, the Figsard Mortgage is a valid first charge on the Property and the Figsard Assignment of Rents is a valid assignment.

As, there is no security registered pursuant to the Personal Property Security Act ("PPSA"), any such security granted in personal property, would be subject to any existing or future security interests registered pursuant to the PPSA. As of the date hereof, there are no PPSA security interest registrations against the Debtor in favor of any third parties.

This review is provided to you in your capacity as court-appointed receiver of the Property pursuant to the order of the Honourable Justice Penny dated October 10, 2018 (the "**Receivership Order**"). This letter may not be relied on by any other person without our prior written consent. Please do not hesitate to contact us if you wish to discuss any of the foregoing.

Yours very truly,

CAPO SGRO LLP

Per: Vince Perricone



SCHEDULE "A"

DOCUMENTS REVIEWED

Documents not defined below shall have the meaning ascribed to them in the body of the security review letter.

Fisgard Loan and Security Documents:

1. Charge/Mortgage granted by the Debtor in favour of Fisgard Capital Corporation, in the principal sum of \$780,000.00, registered as Instrument No. BC320787 on July 20, 2017.
2. Notice of Assignment of Rents General granted by the Debtor in favour of Fisgard Capital Corporation, registered as Instrument No. BC321008 on July 20, 2017.

DOCUMENTS NOT REVIEWED

The following documents have not been reviewed as part of giving this opinion:

1. All loan and security documentation in respect of the Guarantee;
2. the Mortgage Commitment or Loan Commitment with respect to the loan from Fisgard to the Debtor;
2. All loan and security documentation in connection with the loan from Fisgard to the Debtor other than the specific security above under the heading "Documents Reviewed".



SCHEDULE "B"

ASSUMPTIONS

For the purposes of conducting this review, we have assumed the following:

1. that the signatures on the Documents are genuine and that the Documents submitted to us as photocopies or facsimile copies conform to authentic original Documents, and that all Documents were fully completed prior to execution and delivery;
2. that the Debtor had at all relevant times the necessary corporate status, power and capacity, as applicable, to grant to Fisgard the Documents to which it is party and to perform its obligations under each of those Documents;
3. that the Documents were duly authorized, executed and delivered to and in favour of Fisgard;
4. that the Documents were provided, as the case may be, to Fisgard by the Debtor, on the basis of informed consent and advice and for value;
3. that Fisgard holds proper evidence of the amount of indebtedness owed to it by the Debtor and the dates on which such indebtedness was incurred;
4. that none of the Documents has been assigned, amended, superseded, released, discharged or otherwise impaired, either in whole or in part;
5. that the Debtor holds legal and beneficial title to the Property and that the Property was, at the time of the granting of the relevant security interest, and is presently, in Ontario;
6. the accuracy and completeness of the descriptions of all property of the Debtor referred to in any Document;
7. that there are no agreements to which the Debtor is a party or was a party at the time of the execution of the Documents which might impair its ability to execute and deliver or grant any of the Documents to which it is a party or to perform any of its obligations thereunder;
8. that none of the Documents, originals or copies of which we examined, has been amended (except as set out in this letter), and there are no other agreements or understandings between the parties that would amend, supplement or qualify any provisions of the Documents;
9. to the extent that a security interest in investment property (as defined in the PPSA) has been granted by the Debtor to Fisgard, Fisgard has control of such investment property;



10. that no execution creditor or other person has seized or caused seizure of any asset of the Debtor;
11. that the indices and filing systems maintained by public offices where we searched or enquired or have caused searches or enquiries to be made and such information and advice as provided to us by appropriate governmental, regulatory or other like authorities with respect to those matters referred to herein are accurate, current and complete;
12. assumed the legal capacity of all natural persons executing documents and the genuineness of all signatures; and
13. that each of the parties to the Documents other than the Debtor has been duly created, organized and such party is subsisting as at the date of execution of the Documents to which it is a party.



SCHEDULE "C"

QUALIFICATIONS

1. We express no opinion with respect to title to any of the personal property or the Property charged by the Documents.
2. We express no opinion as to the priority of any security interest created by the Documents as against any statutory liens, charges, deemed trusts or other priorities.
3. We express no opinion as to any security interest created by the Documents with respect to any property of the Debtors that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Debtors that are not identifiable or traceable.
4. We express no opinion as to the creation or validity of any charge of, assignment or transfer of or security interest in any of the following property or any interest of the Debtors or the Guarantor therein: (i) any policy of insurance or contract of annuity; (ii) any permits, quotas, licenses and other property which is not personal property; and (iii) any property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement (collectively, the "Special Property") to the extent that the terms of the Special Property or any applicable law prohibits its assignment or requires as a condition of its assignability, a consent, approval, notice or other authorization or registration which has not been made or given.
5. No opinion is expressed under the terms of this opinion with respect to the laws of any jurisdiction (other than Ontario) to the extent that such laws may govern the validity, perfection, effect of perfection or non-perfection of the security interests created by the Documents as a result of the application of Ontario conflict of law rules.
6. We did not investigate whether, any steps were taken in connection with the registration of the Documents or of any of the interests created thereunder: (i) under the Patent Act (Canada), the Trade-marks Act (Canada), the industrial Designs Act (Canada), the Integrated Circuit Topography Act (Canada), the Copyright Act (Canada) or the Plant Breeders' Rights Act (Canada); (ii) in respect of any vessel which is registered or recorded under the Canada Shipping Act (Canada); (iii) in respect of any rolling stock to which the provisions of the Canada Transportation Act (Canada) or the Shortline Railways Act (Ontario) may apply; or (iv) under the Financial Administration Act (Canada).
7. Provisions of the Document which purport to exculpate any secured party from liability for its acts or which purport to confirm the continuance of obligations notwithstanding any act or omission or other matter are subject to the discretion of an Ontario Court.



8. An Ontario Court may decline to enforce the rights of indemnity and contribution potentially available under the Documents to the extent that they are found to be contrary to equitable principles or public policy.
9. An Ontario Court may decline to enforce those provisions of the Documents which purport to allow a determination, calculation or certificate of a party thereto as to any manner provided for therein to be final, conclusive and binding upon any other party thereto if such determination is found to be inaccurate on its face or to have reached or made on an arbitrary or fraudulent basis.
10. Wherever any matter or thing is to be determined or done in the discretion of any secured party, such discretion may be required to be exercised in a commercially reasonable manner and in good faith.
11. With respect to the charge of, or transfer or pledge or assignment of, or the granting of a security interest in, any account or like personal property pursuant to the Documents, notice may have to be given to the obligor thereunder and the secured creditors may be subject to the equities between the obligor and the grantor of the security interest in the event that it wishes to enforce any such account or like personal property as against the obligor under such account or like personal property.
12. Powers of attorney contained in any of the Documents, although expressed to be irrevocable, may in some circumstances be revoked, including without limitation, pursuant to the Substitute Decisions Act (Ontario).
13. Pursuant to section 8 of the Interest Act (Canada), no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.



SCHEDULE "D"

**SUMMARY OF SECURITY SEARCHES AGAINST DANG VARIETY STORE AND GAS
BAR AND LUCKY RESTAURANT INC. (the "DEBTOR")**

Personal Property Security Act (Ontario)

(File Currency: December 20, 2018)

Debtor Searched: Jassem Islam

Result: CLEAR – no registrations

Bank Act (Ontario)

Date of Search: December 20, 2018

CLEAR

Office of the Superintendent of Bankruptcy (Bankruptcy)

Jurisdiction Searched: Ontario

BIA Estate Name: JASSEM, ISLAM

Result: CLEAR

Superior Court in Ottawa (Bankruptcy)

Jurisdiction Searched: Ottawa

BIA Estate Name: JASSEM, ISLAM

Result: CLEAR

Executions: County of Brant (Kitchener)

Date of Search: September 19, 2016

CLEAR

**SCHEDULE "E"****LEGAL DESCRIPTION OF REAL PROPERTY**

Municipal Address: 406 King Street East, Cambridge, Ontario

PIN No. 32226-0152(LT): PT LT 53, CON 3 TWP BRANTFORD, PT 2, 2R6680; COUNTY OF BRANT

c:\users\ownerpc\dropbox\gelman pos\opinion - gelman v.1.doc

TAB I

PAYOUT STATEMENT FOR DISCHARGE PURPOSES

FISGARD CAPITAL CORPORATION Charge/Mortgage of Land from
Islam Jassem
218 Jerseyville Road, Brantford, Ontario
Mortgage Reference No. 3540

This statement was prepared on December 13, 2018 and is effective December 22, 2018.

Principal Balance as at November 15, 2018:	\$906,526.78
Accrued Interest:	7,724.98
Discharge Fee:	<u>175.00</u>
Payout amount:	\$914,426.76

Estimated Total Legal Fees Payable to Lerner's LLP (Receivership Proceeding)	<u>\$ 50,000.00</u>
---	---------------------

Discharge Legal Fee Payable to Lerner's LLP (\$250.00 plus HST + \$76.55 for discharge)	<u>\$ 359.05</u>
--	------------------

Total Payout Amount as of December 22, 2018	<u>\$967,785.81</u>
--	----------------------------

Interest must be added at the rate of \$209.65 per day thereafter until the certified funds are received by Lerner's LLP, 88 Dufferin Ave, London, ON, N6A 4G4. Please be advised that any funds received after 1:00 pm shall be processed, and charged interest, as if received on the following business day. Certified funds are to be made payable to "Lerner's LLP in Trust". In order to complete the registration of the discharge, if funds are direct deposited or wired to Lerner's LLP, Lerner's LLP will require a copy of your certified trust cheque or bank draft together with confirmation of deposit/wire prior to any discharge being registered. If you have any questions please contact Lerner's LLP at 416.601.2376 ext 2319.

THIS STATEMENT IS FOR INFORMATION PURPOSES ONLY. ONCE CLOSING HAS BEEN FINALIZED A NEW PAYOUT STATEMENT WILL BE REQUIRED.

DATED this 13th day of December, 2018.

)
)
)
)
)
)
)
)

FISGARD CAPITAL CORPORATION

Per: *Julie Rosenberg*
Authorized Signing Officer

I/We have the authority to bind the corporation

E & O.E.

TAB J

CLEAR CERTIFICATE / CERTIFICAT LIBRE

SHERIFF OF / SHÉRIF DE : COUNTY OF BRANT (BRANTFORD)

CERTIFICATE # / 35694986-9803087B

N° DE CERTIFICAT :

DATE OF CERTIFICATE / 2018-DEC-12

DATE DU CERTIFICAT :

SHERIFF'S STATEMENT

THIS CERTIFIES THAT THERE ARE NO ACTIVE WRITS OF EXECUTION, ORDERS OR CERTIFICATES OF LIEN FILED WITHIN THE ELECTRONIC DATABASE MAINTAINED BY THIS OFFICE IN ACCORDANCE WITH SECTION 10 OF THE *EXECUTION ACT* AT THE TIME OF SEARCHING AGAINST THE REAL AND PERSONAL PROPERTY OF:

DÉCLARATION DU SHÉRIF

CE CERTIFICAT ATTESTE QU'IL N'Y A AUCUNE ORDONNANCE ACTIVE OU AUCUN BREF D'EXÉCUTION FORCÉE OU CERTIFICAT DE PRIVILÈGE ACTIF DANS LA BASE DE DONNÉES ÉLECTRONIQUE MAINTENUE PAR CE BUREAU AUX TERMES DE L'ARTICLE 10 DE LA *LOI SUR L'EXÉCUTION FORCÉE* AU MOMENT DE LA RECHERCHE VISANT LES BIENS MEUBLES ET IMMEUBLES DE :

NAME SEARCHED / NOM RECHERCHÉ

#	PERSON OR COMPANY / PERSONNE OU SOCIÉTÉ	NAME OR SURNAME, GIVEN NAME(S) / NOM OU NOM DE FAMILLE, PRÉNOM(S)
1.	PERSON / PERSONNE	JASSEM, ISLAM

CAUTION TO PARTY REQUESTING SEARCH:

1. IT IS THE RESPONSIBILITY OF THE REQUESTING PARTY TO ENSURE THAT THE NAME SEARCHED IS CORRECT.
2. BY VIRTUE OF THIS CERTIFICATE, THE SHERIFF IS ASSURING THAT THIS NAME WILL REMAIN CLEAR UNTIL THE END OF CLOSE OF THIS BUSINESS DATE, UNLESS THE SHERIFF IS DIRECTED OTHERWISE UNDER AN ORDER OF THE COURT.

AVERTISSEMENT À LA PARTIE QUI DEMANDE LA RECHERCHE :

1. IL INCOMBE À LA PARTIE QUI DEMANDE LA RECHERCHE DE S'ASSURER QUE LE NOM RECHERCHÉ EST EXACT.
2. EN VERTU DU PRÉSENT CERTIFICAT, LE SHÉRIF ASSURE QUE CE NOM DEMEURE LIBRE JUSQU'À LA FIN DE CETTE JOURNÉE DE TRAVAIL, À MOINS DE RECEVOIR DES DIRECTIVES CONTRAIRES AUX TERMES D'UNE ORDONNANCE DU TRIBUNAL.

CHARGE FOR THIS CERTIFICATE / FRAIS POUR CE CERTIFICAT : CDN 11.80

SEARCHER REFERENCE /
REFERENCE CONCERNANT
L'AUTEUR DE LA DEMANDE : GELMAN

ServiceOntario[Main Menu](#) [New Enquiry](#)**Individual Non-Specific Enquiry**File Currency: **19DEC 2018****Search Criteria: ISLAM;JASSEM****No Match.****No registered financing statement or registered claim for lien was found for this enquiry.**[New Enquiry](#)

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[ServiceOntario Contact Centre](#)Web Page ID: **WNoMatch001**System Date: **20DEC2018**

Last Modified: December 20, 2018

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TAB K



Public Prosecution Service of Canada
Ontario Regional Office

Service des poursuites pénales du Canada
Bureau régional de l'Ontario

FACSIMILE TRANSMISSION TRANSMISSION PAR TÉLÉCOPIEUR

SEND TO / ENVOYER À		FROM / DE	
Name / Nom: Jeffrey Larry		Name / Nom: Myfanwy Smith Counsel	
Address / Adresse: Jeffrey Larry, LL.B, MBA Paliare Roland Rosenberg Rothstein LLP 155 Wellington Street West, 35th Floor Toronto, ON M5V 3H1		Address / Adresse: Ontario Regional Office 130 Dufferin Avenue 8th Floor London, Ontario N6A 5R2	
Fax # / No du télécopieur: 416-646-4301	Tel. No. / No du Tél: 416-646-4330	Fax # / No du télécopieur: (519) 645-3864	Tel. No. / No du Tél: (519) 640-5142
Comments / Commentaires: Re: Albert Gelman Inc. – 218 Jerseyville Road, Brant County			
SECURITY INSTRUCTIONS / INSTRUCTIONS SÉCURITÉ			
Unclassified documents only VIA clear transmission. Protected information permitted within Justice secure FAX network. Documents non cotés à transmettre sans protection. Renseignements protégés par le réseau des télécopieurs protégés de la Justice.			
Protected documents? / Documents protégés? <input type="checkbox"/> Yes / Oui <input checked="" type="checkbox"/> No / Non			
TRANSMISSION			
Pages (Including cover sheet) 3	Date: November 01, 2018	Time: 1:15 PM	

NOTICE:

This message is intended for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If you have received this communication in error, please notify us immediately by telephone. Thank you.

Cette communication est exclusivement destinée à qui elle est adressée. Elle peut contenir de l'information privilégiée, confidentielle et ne pouvant être divulguée selon la loi applicable à l'espèce. Si vous avez reçu cette communication par erreur, veuillez nous en aviser immédiatement par téléphone. Merci.

In the event of transmission problems, kindly contact / Si cette liaison n'est pas claire, communiquez avec:
 Name / Nom: _____ at /au: _____



Public Prosecution
Service of Canada

Ontario Regional Office
130 Dufferin Avenue
8th Floor
London, Ontario
N6A 5R2

Service des poursuites
pénales du Canada

Bureau régional de l'Ontario
130 rue Dufferin
8e étage
London (Ontario)
N6A 5R2

Tel: (519) 640-5142
Fax: (519) 645-3864
Email: Myfanwy.Smith@ppsc-sppc.gc.ca

Our File: 3639081
Notre dossier:

Your File:
Votre dossier:

November 01, 2018

VIA FACSIMILE

Jeffrey Larry, LL.B, MBA
Paliare Roland Rosenberg Rothstein LLP
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1

Dear Sir:

Re: JASSEM, Islam - 2018 Jerseyville Road, Brant County PIN [32226-0152 (LT)]

I understand that you represent Albert Gelman Inc., who has recently been appointed Receiver of the property at 218 Jerseyville Road, Brant County. This appointment was made by Justice Penny of the Superior Court of Ontario on October 10, 2018. I am a federal prosecutor with the Public Prosecution Service of Canada in the Integrated Proceeds of Crime unit.

Because of the Order appointing Albert Gelman Inc. as Receiver, Gelman appears to have the right of exclusive possession of 218 Jerseyville, including the right to make contracts in respect of the property. I believe that this includes the right to sell the property.

As you know, the Ontario Provincial Police conducted an investigation into drug-trafficking from the home at 218 Jerseyville Road. As part of that investigation, police found drugs inside the residence, including fentanyl. Initially, the PPSC's intention was to restrain the property at 218 Jerseyville as offence-related property under section 14 of the *Controlled Drugs and Substances Act* so that it would be available for forfeiture, however this has changed because of the Order appointing Gelman as Receiver. Because this appointment will likely result in the pre-forfeiture sale of the property, our interest is now in the surplus proceeds of the sale of the property, if any.

In accordance with *Lumen Inc. c. Canada (Procureur General)*, 119 C.C.C. (3d) 91 (QCCA), as cited with approval by the Ontario Superior Court of Justice in *R. v. 1431633 Ontario Inc.* (2010), 92 C.L.R. (3d) 263, the definition of surplus proceeds is the sale price of the property less any debt that attaches to the property (i.e. mortgage, arrears in municipal tax payments etc.). Unsecured debts should not be deducted from the sale price to calculate the surplus proceeds.

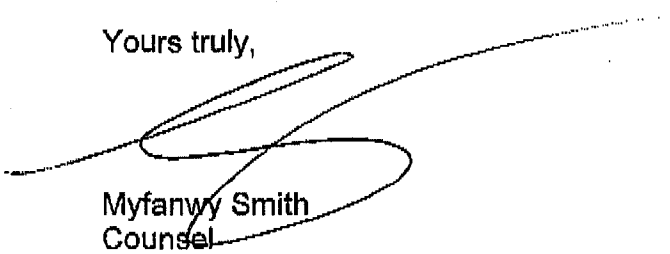
Canada

- 2 -

Please accept this letter as my indication to you that, when Gelman sells the property, the sale price should not be disbursed back to the debtor, Islam Jassem, or any of her family until such time as the Crown's interest in the surplus proceeds of the sale can be adjudicated, or until further court order in respect of the surplus proceeds.

Do not hesitate to contact me with any questions or concerns.

Yours truly,



Myfanwy Smith
Counsel

TAB L

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondents

APPLICATION UNDER SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.
1990, c. C.43


RECEIVER'S AFFIDAVIT OF FEES

I, Bryan Gelman, of the City of Toronto, make oath and say as follows:


1. I am a Licenced Insolvency Trustee and Director of Albert Gelman Inc., Court Appointed Receiver ("**Receiver**") of the properties located at 218 Jerseyville, Ontario ("**Receiver**"), and as such have knowledge of the facts herein deposed to.
2. The Receiver has prepared invoices in connection with this matter as follows:
 - a. An account dated December 20, 2018 for the period from October 10, 2018 to December 20, 2018 of \$34,434.50, plus HST and disbursements thereon.
 - b. A draft invoice including final estimated accruals for time to complete its mandate as Receiver in the amount of \$6,270.00, plus HST;
3. The Receiver's accounts, including detailed time dockets, are attached hereto as **Exhibit "A"**.
4. This Affidavit is made in support of a motion to approve the accounts of Albert Gelman Inc. and for no improper purpose.

SWORN before me at the City of
Toronto in the Province of Ontario
this 20th day of December, 2018.

)
)
)



Bryan Gelman



A Commissioner, etc.

Laurianne Jennifer Valteau, a
Commissioner, etc., Province of Ontario,
for Albert Gelman Inc.
Expires February 1, 2020.

Attached is **Exhibit "A"**
Referred to in the
Receiver's Affidavit of Fees
sworn before me
This 20th day of December, 2018



Commissioner for taking Affidavits, etc.

**Laurianne Jennifer Valteau, a
Commissioner, etc., Province of Ontario,
for Albert Gelman Inc.
Expires February 1, 2020.**

Islam Jassem
218 Jerseyville Road
Brantford, ON

Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
Billing Through: Dec 20, 2018
File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
10/10/2018	BGELMAN	Calls with Rocco and Chris Andrews re lock change and site remediation; Email to Debtor's counsel re access to property; Update call with Angela re timing and next steps; Review of tax certificate; Email to Moe Hamzehian re access to property;	1.20	\$450.00	\$540.00
10/11/2018	BGELMAN	Planning meeting with Suzette re next steps for possession of house, notices, hydro and POD rentals; Create case website; update call with Joe Albert and Rocco Tuzi re possession of property; Update to Angela at Fisgard; Call with Adriana C. at Firstbrook Cassie Anderson re insurance; Call with Jeff Larry re next steps regarding listing agent and purchaser for the property;	1.70	\$450.00	\$765.00
10/11/2018	JALBERT	attend premises to take possession of property;	3.00	\$490.00	\$1,470.00
10/11/2018	DCHERNIAK	Transferred file and opened bank account;	0.50	\$100.00	\$50.00
10/11/2018	SWARNER	Planning meeting with Bryan re next steps; emails re to-do list while at property; Prepared Receiver's notice for posting at property ; calls to Brantford Hydro and Energy Plus to determine status of power at property; Attend to other matters relating of possession of house and coordination of storage of contents; Email to Phillip Okpala to confirm possession;	1.80	\$265.00	\$477.00
10/12/2018	SWARNER	Calls PODS to establish size and costing of container and availability for deliver on Saturday Oct 13th; Set-up of account and delivery of containers from PODS ; coordinating site visit with Canadian Decon ; Call with Rocco to grant access to lockbox	2.50	\$265.00	\$662.50
10/12/2018	BGELMAN	Call with Agent for the purchaser Fred De Carolis; calls with Jeffrey Larry re next steps; call from Moe Hamzehian and draft email to him re process; Call with Adrianna C at FCA re insurance; Update call with J. Albert re status of property and sale agreement; Calls and emails with Chris Andrews at Canadian Decon re remediation to coordinate removal of furnishings and remediation of property; Return call to Dom Magisano re next steps;	2.70	\$450.00	\$1,215.00
10/12/2018	JALBERT	update from Bryan and discussion of existing realty agreement and pending offer; TC with hazmat removal re: coordination for weekend	0.60	\$490.00	\$294.00

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

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Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
Billing Through: Dec 20, 2018
File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Date	Client	Description	Hours	Rate	Amount
10/13/2018	BGELMAN	Review and execute Acknowledgement and Direction for registration on title and instructions to counsel re same; Email to Purchaser's counsel; Email to Cindy Shuffles at OPP re receiver appointment; Update emails and calls with Chris Andrews at CDS re removal of furniture and prep for decontamination;	0.80	\$450.00	\$360.00
10/13/2018	JALBERT	updates on removal of furniture	0.10	\$490.00	\$49.00
10/13/2018	SWARNER	Telephone calls with Chris from Canadian Decon ; Call with PODS to arrange order and arrange additional container	0.60	\$265.00	\$159.00
10/15/2018	SWARNER	Prepared and send letter to Energy plus for account transfer;	0.40	\$265.00	\$106.00
10/15/2018	BGELMAN	Email to Chris Andrews re timeline for completion; Review of title search and other searches conducted by Real Estate lawyer; Call from Cindy Shuffles and respond with email to her re same; Call with Jeff Larry re same;	0.80	\$450.00	\$360.00
10/16/2018	BGELMAN	Calls with Suzette re status of Decon process; Call with Chris Andrews re progress for site remediation; Call with Don Anderson re to confirm if any other way to obtain insurance and answer was no;	0.70	\$450.00	\$315.00
10/16/2018	SWARNER	Conduct PPSA and Insolvency Search from Islam Jassem	0.40	\$265.00	\$106.00
10/17/2018	BGELMAN	Call from Jeff Larry re update; Call with Angela Bull; Call with Michael Tait (agent for buyer);	0.60	\$450.00	\$270.00
10/17/2018	SWARNER	Call from POD regarding container delivery ; Call to Chris of Canadian Decon confirming time of delivery of container	0.40	\$265.00	\$106.00
10/18/2018	BGELMAN	Update call with Chris Andrews re status of remediation; Call with Chris re findings in Septic tank; email to Cindy at OPP re same; emails with Cindy Shuffles at OPP re findings at property;	0.60	\$450.00	\$270.00
10/19/2018	BGELMAN	Call with Chris Andrews re update;	0.20	\$450.00	\$90.00
10/20/2018	BGELMAN	Email to appraiser to set up appraisal;	0.20	\$450.00	\$90.00
10/23/2018	SWARNER	Ordering and arranging delivery of additional POD	0.30	\$265.00	\$79.50
10/23/2018	BGELMAN	Travel to and from 218 Jerseyville Road re meeting with Chris Andrews for walk through of property; Meeting on site with Tracy Smith (appraiser); Prepare insurance survey form; Call with Rocco Tuzi re inspections and well water maintenance issues; Coordinate additional storage with Suzette Warner;	4.20	\$450.00	\$1,890.00
10/24/2018	SWARNER	Confirm delivery time of POD and communicate with Chris Andrew of Canadian Decon	0.30	\$265.00	\$79.50

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Brantford, ON

Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
Billing Through: Dec 20, 2018
File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Date	Party	Description	Hours	Rate	Total
10/24/2018	BGELMAN	Call from Lucas Bonfini (neighbor); Call with Jeff Larry re buyer and form of APS; Review and revisions to draft schedule to APS and email to Jeff Larry re same; Revision to email to Broker;	1.20	\$450.00	\$540.00
10/25/2018	BGELMAN	Finalize and send email to Moe Hamzehian;	0.20	\$450.00	\$90.00
10/26/2018	BGELMAN	Call with Jeff Larry re prospective buyer and his call with the Ministry of Attorney General;	0.20	\$450.00	\$90.00
10/27/2018	BGELMAN	Call from Chris Andrews at Canadian Decon Sol.	0.20	\$450.00	\$90.00
10/29/2018	BGELMAN	Call with Tracy Smith (Appraiser) re appraisal; review of same; Update call with Chris Andrews; review of draft APS;	1.00	\$450.00	\$450.00
10/30/2018	BGELMAN	Call with Vince (real estate lawyer) re insurance provisions of APS; Call with Chris Andrews; update call with Angela Bull; call from Jeffrey Larry re APS and next steps with prospective purchaser;	0.70	\$450.00	\$315.00
10/31/2018	BGELMAN	Review of draft report from EFI Global and email to Chris Andrews; Finalize insurance forms and call with broker (Adriana C.) re same; Call with Rocco Tuzi; call with Jeff Larry and respond to his email regarding questions from prospective purchaser; email to Jeff Larry re furniture and personal effects in storage PODS; Call with Chris Andrews re cleaning of pods and timing needed for closing;	2.50	\$450.00	\$1,125.00
10/31/2018	BGELMAN	Review and approval of Sept 2018 bank rec;	0.10	\$450.00	\$45.00
11/1/2018	BGELMAN	Receive and review letter from the Public Prosecution Service of Canada; Arrange for access to premises through property manager;	0.40	\$450.00	\$180.00
11/2/2018	BGELMAN	Follow up with Adriana C. at FCA re insurance confirmation; Call with Rocco Tuzi re access to premises; Review of insurance policy from FCA; Update call with Jeff Larry; Call with Angela Bull re update and funding for costs; email to borrowing certificate; Review of invoice from Canadian Decon and approve same;	1.40	\$450.00	\$630.00
11/5/2018	BGELMAN	Requisition deposit of loan from Fisgard; requisition cheque req to trust account; prepare and issue borrowing certificate #1; Call with Jeff Larry re next steps re sale of house;	0.70	\$450.00	\$315.00

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Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
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Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Date	Agent	Description	Hours	Rate	Amount
11/7/2018	BGELMAN	Review of emails pertaining to prospective buyer interest in property; emails to Jeff Larry re prospective buyer and personal assets of Debtor that are onsite; call from property manager re volume of usage of chemicals in water system and approval for site inspection on well system; Update call with Jeff Larry re his call with counsel to prospective buyer;	0.70	\$450.00	\$315.00
11/9/2018	BGELMAN	Call with Rocco Tuzi re his interactions with Islam Jassem; email to Islam re personal property; review of email from Philip Okpala; call with Jeff Larry re same;	0.60	\$450.00	\$270.00
11/10/2018	BGELMAN	Call with Michael Switzer re submission of listing proposal; email to him re same;	0.40	\$450.00	\$180.00
11/12/2018	BGELMAN	Call from prospective purchaser; Review and approval of invoice from Lock-It and property management; Email to J. Larry re listing of property; call with Michael Switzer of Foresthill Hill Realty to coordinate walk through;	0.80	\$450.00	\$360.00
11/13/2018	BGELMAN	Update call with Angela Bull; Call with Dom Magisano re update;	0.20	\$450.00	\$90.00
11/14/2018	BGELMAN	Travel to and from 218 Jerseyville re meeting with prospective agent; call to property manager re PODS, carpet and cleaning service; Call with Jeff Larry re APS; Email to real estate lawyer (Vince) re disclosure requirements in the APS;	3.40	\$450.00	\$1,530.00
11/14/2018	SWARNER	Call PODS to enquire and order relocation of container	0.50	\$265.00	\$132.50
11/15/2018	BGELMAN	Call with Dom Magisano re his request for an update and budget;	0.30	\$450.00	\$135.00
11/16/2018	BGELMAN	Email to Dom and Angela; Call with counsel to prospective purchaser; Calls (2) with Jeff Larry; prepare budget to date and for closure; Call with Vince (real estate lawyer) re changes to APS; Call with Dom Magisano re update;	2.90	\$450.00	\$1,305.00
11/16/2018	SWARNER	Calls with PODS regarding onsite relocation of PODS ; Call from Driver at location doing relocation of PODS	0.30	\$265.00	\$79.50
11/19/2018	BGELMAN	Calls (2) with Prospective purchaser; emails re same; Attend conference call with Dom Magisano and Angela Bull re budget and R&D; Call from Cristina (counsel to prospective purchaser) re HST on sale in offer; email with Jeff Larry re next steps re deposit paid to Moe H;	1.30	\$450.00	\$585.00

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Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
Billing Through: Dec 20, 2018
File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Date	Attorney	Description	Hours	Rate	Total
11/20/2018	BGELMAN	Review of offer from prospective purchaser; calls with Jeff Larry; email and conference call with Angela Bull and Dom Magisano re offer; email to Vince real estate lawyer re offer;	1.50	\$450.00	\$675.00
11/21/2018	BGELMAN	Call with Jeff Larry re APS; final review of APS and execute same; email to purchasers' lawyer;	0.80	\$450.00	\$360.00
11/22/2018	BGELMAN	Review of snow plow contract and carpet quote; Call with property manager and email to Cristina (counsel to purchaser) for access to property;	0.40	\$450.00	\$180.00
11/23/2018	SWARNER	Call with Union Gas regarding set up of account	0.50	\$265.00	\$132.50
11/23/2018	BGELMAN	Instructions to Suzette re gas account; call with Rocco re winterizing tasks;	0.20	\$450.00	\$90.00
11/28/2018	BGELMAN	review email from Harpreet Hans and call to Jeff Larry re response;	0.10	\$450.00	\$45.00
11/29/2018	BGELMAN	Call with Jeff Larry and email to him re draft waiver document;	0.20	\$450.00	\$90.00
11/30/2018	BGELMAN	Review and approval of draft waiver re contents in PODS; Correspondence with Jeff Larry re email to lawyer for former purchaser;	0.30	\$450.00	\$135.00
12/3/2018	BGELMAN	Review and approval of Insurance premium for November 2018;	0.10	\$450.00	\$45.00
12/4/2018	BGELMAN	Respond to property manager re appraisal at Jerseyville for purchaser;	0.10	\$450.00	\$45.00
12/10/2018	BGELMAN	Emails to Philip Okpala re retrieval of personal property;	0.30	\$450.00	\$135.00
12/10/2018	BGELMAN	Review and approval of October, 2018 bank reconciliation;	0.10	\$450.00	\$45.00
12/11/2018	BGELMAN	Commence drafting Receiver's First Report to Court; Call with Jeff Larry; emails to Vince (real estate lawyer) re tax certificate and title/execution searches;	10.20	\$450.00	\$4,590.00
12/12/2018	SWARNER	Call with Islam Jassem regarding removal of property in storage container	0.60	\$265.00	\$159.00
12/13/2018	BGELMAN	Review of updated Parcel and writ search on property; Review of suggested changes to court report from Jeff Larry and continue to draft report; email to Dom Magisano re update payout statement from Fisgard; email to Vince (real estate lawyer) for opinion on mortgage; Draft Receiver's Confidential Report to Court; Review and comments to memo re removal fo assets from PODS for Rocco Tuzi;	2.10	\$450.00	\$945.00

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Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
Billing Through: Dec 20, 2018
File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Date	Client	Description	Hours	Rate	Total
12/13/2018	SWARNER	Received and reconciled PODS statement and process requisition for reimbursement of current charges ; Call with Islam Jassem to coordinate retrieval of property; Call with PODS to determine available pickup dates ; Email to Canadian Decon to coordinate availability for inspection and de contamination of PODS ; Scheduling of PODS pickup for Dec 21, 2018	1.20	\$265.00	\$318.00
12/14/2018	BGELMAN	Finalize first draft of confidential report to Court; prepare final R&D and accruals to complete; Call with Suzette and Rocco re prep for onsite pick up of property by Debtor;	2.60	\$450.00	\$1,170.00
12/14/2018	SWARNER	Detail email to Rocco regarding protocol for property removal; Call with Rocco regarding visit to 218/ Jerseyville on Dec 17	0.60	\$265.00	\$159.00
12/17/2018	BGELMAN	Calls with Suzette re non-pick up of Debtor personal items; Approval of property management invoice;	0.40	\$450.00	\$180.00
12/17/2018	SWARNER	Attended 218 Jerseyville to oversee pick up of personal items by Islam Jassem; Calls with Islam Jassem re non-appearance and to agree on another date	3.00	\$265.00	\$795.00
12/18/2018	SWARNER	Received and review Union Gas bill and prepared requisition for payment and accrued to client file in ASCEND; Coordinating second scheduling for pickup of personal items from PODS;	0.90	\$265.00	\$238.50
12/18/2018	BGELMAN	Updates from Suzette re details for removal of personal property by Islam Jassem; Review and respond to emails from Vince P. (real estate lawyer) re opinion on mortgage; Call with Jeff Larry re report and timing of	0.60	\$450.00	\$270.00
12/19/2018	SWARNER	Calls with Rocco regarding property removal at Jerseyville ; Call with Islam Jassem regarding removal of personal property	0.80	\$265.00	\$212.00
12/19/2018	BGELMAN	Attend onsite at Jerseyville property re meeting with Rocco Tuzi, Islam Jassem and her sister re move out of personal assets; Call with Chris Andrews re cleaning of PODS; call with Jeff Larry re report to court; call with Dom Magisano re pay out on closing of sale transaction; including 2.4 hours of travel; (4.8 hours); Continue to work on report and confidential report to court, update R&D, prepare Receiver's Affidavit of fees and assemble appendices; (2.4)	7.20	\$450.00	\$3,240.00
12/20/2018	BGELMAN	Call with Chris Andrews re testing and decon of PODS; Call with Jeff Larry and his associate re final reports and orders; Meeting with Jeff Larry and his associate to finalize reports, appendices and execute documents;	2.80	\$450.00	\$1,260.00

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Islam Jassem
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Invoice

Invoice Date: Dec 20, 2018
Invoice No: 3602
Billing Through: Dec 20, 2018
File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

12/20/2018	SWARNER	Telephone calls and emails to Chris Andrews regarding clean up of PODS ; Telephone call with PODS regarding confirmation of pickup of PODS	1.00	\$265.00	\$265.00
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Total Fees: \$34,434.50
HST: \$4,476.49

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	62.90	\$450.00	\$28,305.00
Daphna Chernick (Estate Administrator)	0.50	\$100.00	\$50.00
Joe E. Albert (Principal, CIRP, CPA, DIFA. LIT)	3.70	\$490.00	\$1,813.00
Suzette Warner (Associate, CFE, CPA, CGA, FCCA)	16.10	\$265.00	\$4,266.50

Disbursements:

Non-Taxable Disbursements

SEARCH FEES: \$8.00

Taxable Disbursements

PHOTOCOPIES: \$1.50
POSTAGE: \$3.36
TRAVEL: \$296.10

Total Disbursements: \$308.96
HST: \$39.14

Amount Due This Invoice: \$39,259.09

<u>Invoice Summary:</u>	
TOTAL FEES AND DISBURSEMENTS:	\$34,743.46
TOTAL HST:	\$4,515.63
TOTAL AMOUNT DUE:	\$39,259.09

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

Albert Gelman Inc. - 100 Simcoe Street, Ste. 125, Toronto, ON M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Islam Jassem
218 Jerseyville Road
Brantford, ON

Accrual Invoice

Invoice Date: Dec 20, 2018

Invoice No: <2323-1>

Billing Through: Jan 31, 2019

File ID: FISGARD-R:

Re: Receiver of the Real Property at 218 Jerseyville Road, Brantford, Ontario

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
1/14/2019	BGELMAN	Accrual for preparation for Receiver's motion and dealing with matters pertaining to motion;	1.50	\$450.00	\$675.00
1/15/2019	BGELMAN	Accrual: Attend in Court re Receiver's motion for approval and vesting order and discharge of Receiver and follow up matters;	5.00	\$450.00	\$2,250.00
1/15/2019	SWARNER	Accrual for receipt of vendor invoices pertaining to property, PODS and CDS and requisition of payment of same;	1.50	\$265.00	\$397.50
1/25/2019	BGELMAN	Accrual: Attend to matters pertaining to sale of property, closing documents; Receipt of funds and requisition for deposits; requisition distribution of funds to various parties and cheque signing; Filing final discharge certificate;	5.00	\$450.00	\$2,250.00
1/25/2019	DCHERNIAK	Accrual: Attend to deposits and posting to accounting ledger; attend to distribution of funds to various parties following closing of real estate transaction (1.5); accrual for final banking, final bank reconciliation of trust account, interest accrual and final distribution; (1.5)	3.00	\$100.00	\$300.00
1/28/2019	SWARNER	Accrual for correspondence with utility companies and insurance company re closure of accounts following closing date;	1.50	\$265.00	\$397.50
Total Fees:					\$6,270.00
HST:					\$815.10

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	11.50	\$450.00	\$5,175.00
Daphna Cherniak (Estate Administrator)	3.00	\$100.00	\$300.00
Suzette Warner (Associate, CFE, CPA, CGA, FCCA)	3.00	\$265.00	\$795.00
Amount Due This Invoice:			\$7,085.10

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$6,270.00
TOTAL HST:	\$815.10
TOTAL AMOUNT DUE:	\$7,085.10

Payment of this account is due on receipt
HST Registration # 83741 9514 RT0001

TAB M

Court File No.: CV-18-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondent

APPLICATION UNDER SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, c. C.43

AFFIDAVIT OF SARITA SANASIE

(Sworn December 20, 2018)

I, Sarita Sanasie, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an assistant at the law firm of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland"). I have personal knowledge of the matters to which I hereinafter refer.
2. Pursuant to the order of the Honourable Mr. Justice Penny dated October 10, 2018 (the "Appointment Order"), Albert Gelman Inc. was appointed the receiver (the "Receiver") of the lands and premises municipally known as 2267 Industrial Street, Burlington, Ontario (the "Property").
3. Pursuant to the Appointment Order, Paliare Roland has provided services to and incurred disbursements on behalf of the Receiver. The detailed invoices attached hereto and marked as **Exhibit "A"** (the "Dockets") set out Paliare

Roland's fees and disbursements from October 2 to December 19, 2018. The Dockets describe the services provided and the amounts charged by Paliare Roland.

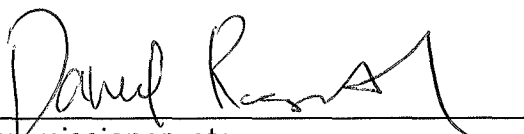
4. The following is a summary of the professionals whose services are reflected in the Dockets, including hourly rates, fees billed, hours billed and the average hourly rate charged by Paliare Roland. The hourly rates charged are the usual hourly rates charged by Paliare Roland for the listed professionals.

Professional	Hourly Rate	Hours Billed	Fees Billed
Jeff Larry, Partner, 2001 Call	\$595/hr	18.90	10,395.00
Daniel Rosenbluth, Associate, 2016 Call	\$400/hr	2.90	1,160.00
Subtotal			\$11,555.00

5. Inclusive of HST and disbursements, the total amount of the Dockets is **\$13,219.69.**

6. I am advised by Jeffrey Larry, counsel to the Receiver, that Paliare Roland estimates that it will incur approximately **\$7500** in further fees from December 20, 2018 to the completion of its mandate in this matter.

SWORN BEFORE ME, at the City of
Toronto, in the Province of Ontario this)
20th day of December, 2018.)



A commissioner, etc.)



Sarita Sanasie

This is Exhibit "A" referred to in the Affidavit of Sarita Sanasie
Sworn this 20th day of December, 2018

Bill of Costs

Client: (36410) Albert Gelman Inc.

RE: (95461)

FEES:

Date	Quantity	Rate	Value	Description
(157) Jeffrey Larry				
2018/10/02	0.30	550.00	165.00	Telephone call with B. Gelman; email correspondence;
2018/10/03	0.40	550.00	220.00	Review materials; telephone call with B. Gelman;
2018/10/05	1.10	550.00	605.00	Discussion with B. Gelman; correspondence with B. Gelman; review and comment on Monitor's Report; consider next stes;
2018/10/05	1.10	550.00	605.00	Discussion with B. Gelman; review and revise draft Order; correspondence with D. Magisano re: draft Order;
2018/10/10	0.40	550.00	220.00	Telephone call with V. Perricone; correspondence with B. Gelman and V. Perricone re: next steps;
2018/10/12	0.60	550.00	330.00	Review and revise email; Telephone call with B. Gelman; email agent; Telephone call with agent;
2018/10/15	0.50	550.00	275.00	Review certain matters; telephone call with B. Gelman; email correspondecne with B. Gelaman;
2018/10/16	0.40	550.00	220.00	Email correspondence; Telephone call with B. Gelman;
2018/10/17	0.80	550.00	440.00	Telephone call with buyer's counsel; Telephone call with real estate agent; Telephone call with B. Gelman; email correspondence;
2018/10/24	0.40	550.00	220.00	Discussion with B. Gelman re various matters; review email correspondence and consider response re: agent; correspondence with V. Perricone;
2018/10/26	0.50	550.00	275.00	Telephone call with real estate agent; Telephone call with counsel at Ministry re: claim to proceeds of crime; Telephone call with B. Gelman to update;
2018/10/29	0.30	550.00	165.00	Review and comment on draft APS; Telephone call with V. Perricone;
2018/10/30	0.20	550.00	110.00	Telephone call with B. Gelman;
2018/10/31	1.40	550.00	770.00	Telephone call with counsel to buyer; correspondence and reporting to B. Gelman; drafting email to counsel re: purchase agreement; draft email to Okpala;
2018/11/01	0.20	550.00	110.00	Review letter from Public Prosecutions office; correspondence with B. Gelman;
2018/11/05	0.20	550.00	110.00	Telephone call with B. Gelman;
2018/11/07	0.50	550.00	275.00	Telephone call with H. Hans; Telephone call with V. Perricone; email correspondence; Telephone call with B. Gelman;
2018/11/08	0.30	550.00	165.00	Various emails with counsel;
2018/11/12	0.30	550.00	165.00	Correspondence and Telephone call with B. Gelman re: sales process;
2018/11/14	0.40	550.00	220.00	Various discussions with B. Gelman re: sales process;
2018/11/15	0.50	550.00	275.00	Call with B. Gelman; correspondence;
2018/11/16	0.80	550.00	440.00	Various email correspondence re: closing; Telephone call with B. Gelman; Telephone call with purchaser's counsel;
2018/11/19	0.50	550.00	275.00	Discussion with buyer's counsel; Telephone call with B. Gelman re: purchase agreement;
2018/11/20	0.40	550.00	220.00	Telephone call with B. Gelman; email correspondence with B. Gelman; Telephone call with purchaser's counsel;
2018/11/22	0.30	550.00	165.00	Various phone calls and email correspondence;

FEES:

Date	Quantity	Rate	Value	Description
2018/11/27	0.30	550.00	165.00	Telephone call with counsel at OPP proceeds of crime unit;
2018/11/28	0.30	550.00	165.00	Review email correspondence from H. Hans; telephone call with B. Gelman;
2018/11/29	0.30	550.00	165.00	Correspondence with B.Gelman and Okpala;
2018/11/30	0.80	550.00	440.00	Telephone call with H. Hans; correspondence with B. Gelman; draft Waiver; email correspondence with Okpala re: retrieving personal property;
2018/12/04	0.20	550.00	110.00	Correspondence with C. DiFelice;
2018/12/11	0.20	550.00	110.00	Correspondence with B. Gelman;
2018/12/13	0.90	550.00	495.00	Review and revise draft report; review payout statement and email correspondence;
2018/12/14	0.60	550.00	330.00	Further review and consideration of first report and issues relating to motion;
2018/12/18	0.90	550.00	495.00	Telephone call with B. Gelman; further revisions to draft report; review confidential report;
2018/12/19	1.60	550.00	880.00	Revise Approval and Vesting Order; Telephone call with M. Smith; discussions with D. Rosenbluth;
Total:	18.90		10,395.00	

(204) Daniel Rosenbluth

2018/12/14	2.10	400.00	840.00	Preparing notice of motion and draft order re vesting order;
2018/12/19	0.80	400.00	320.00	Receiving instructions re motion materials; drafting fee affidavit and order re discharge;
Total:	2.90		1,160.00	

Working Member Summary

	Hours	Value
(157) Jeffrey Larry	18.90	10,395.00
(204) Daniel Rosenbluth	2.90	1,160.00
OUR TOTAL FEES HEREIN,		11,555.00
Plus HST 13%(ON,NB,NL)		1,502.15

Taxable Disbursements

Laser Copies	2.25
TOTAL TAXABLE DISBURSEMENTS	2.25
Plus HST 13%(ON,NB,NL)	0.29

Non-Taxable Disbursements

Filing Fee	160.00
TOTAL NON-TAXABLE DISBURSEMENTS	160.00

COSTS FIXED AT \$

THIS DAY OF , 2018

FISGARD CAPITAL CORPORATION

-and-

**ISLAM JASSEM (AKA ISLAM HAMMADI
JASSEM) et al.
Respondents**

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

AFFIDAVIT OF SARITA SANASIE

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West

35th Floor

Toronto, ON M5V 3H1

Tel: 416.646.4300

Fax: 416.646.4301

Jeffrey Larry (LSUC# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Lawyers for the Receiver, Albert Gelman Inc.

TAB N

Court File No.: CV-18-602596-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

FISGARD CAPITAL CORPORATION

Applicant

- and -

ISLAM JASSEM (aka ISLAM HAMMADI JASSEM) and ASIA KAZEM

Respondent

**APPLICATION UNDER SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, c. C.43**

AFFIDAVIT OF VINCENZO PERRICONE

(Sworn December 21, 2018)

I, Vincenzo Perricone, of the City of Vaughan, in the Province of Ontario,
MAKE OATH AND SAY:

1. I am a lawyer at the law firm of Capo Sgro LLP ("Capo Sgro"). I have personal knowledge of the matters to which I hereinafter refer.
2. Pursuant to the order of the Honourable Mr. Justice Penny dated October 10, 2018 (the "Appointment Order"), Albert Gelman Inc. was appointed the receiver (the "Receiver") of the lands and premises municipally known as 218 Jerseyville Road, Brantford, Ontario (the "Property").
3. Pursuant to the Appointment Order, Capo Sgro LLP has provided services to and incurred disbursements on behalf of the Receiver. The detailed dockets attached hereto and marked as **Exhibit "A"** (the "Dockets") set out Capo Sgro's

fees and disbursements from October 10 to December 20, 2018. The Dockets describe the services provided and the amounts charged by Capo Sgro.

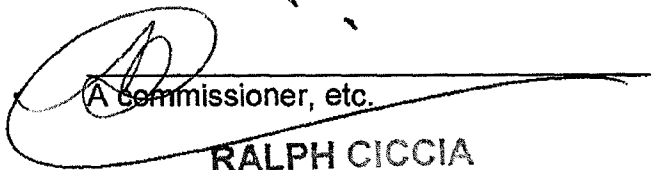
4. The following is a summary of the professionals whose services are reflected in the Dockets, including hourly rates, fees billed, hours billed and the average hourly rate charged by Capo Sgro. The hourly rates charged are the usual hourly rates charged by Capo Sgro for the listed professionals.

Professional	Hourly Rate	Hours Billed	Fees Billed
Vincenzo Perricone, Partner, 2002 Call	\$450/hr	8.90	4,000.00
Subtotal			\$4,000.00

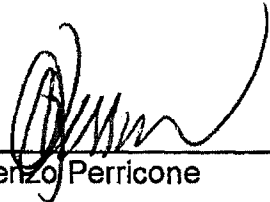
5. Inclusive of HST and disbursements, the total amount of the Dockets is \$5,318.06.

6. I confirm that Capo Sgro estimates that it will incur approximately \$3,672.50 in further fees from December 20, 2018 to the completion of its mandate in this matter.

SWORN BEFORE ME, at the City of Toronto, in the Province of Ontario this 21st day of December, 2018.


A Commissioner, etc.

RALPH CICCIA
Barrister & Solicitor
7050 Weston Road, Suite 400
Woodbridge, Ontario L4L 8P7


Vincenzo Perricone

This is Exhibit "A" referred to in the Affidavit of Vincenzo Perricone sworn on this 21st day of December, 2018

CAPO SGRO LLP

CLIENT: Perricone, Vincenzo FILE NO.: RESPONSIBLE LAWYER: VP

MATTER: Albert Gelman Inc. re: Fisgard Capital Corporation enforcement of Charge secured against 218 Jerseyville Road, Brantford, Ontario

DATE	PARTICULARS	IN	OUT	TIME
Oct 10	Discussions with Jeff Larry ("JL") re file			0.1
Oct 12	Draft and review Application to Register Court Order on title; forward to client for execution; p/c with Bryan Gelman ("BG")			0.5
Oct 15	Attend to registration of Court Order; conduct preliminary title search of subject property and review of same; conduct preliminary execution search and review of same; forward search to client; p/c with BG re same			0.7
Oct 24	Receipt of email from JL and p/c with JL re: preparation of Agreement of Purchase and Sale.			0.2
Oct 27	Commence drafting Agreement of Purchase and Sale			1.2
Oct 30	P/c with BG to discuss Agreement of Purchase and Sale, insurance provision, and comments thereto by BG; Revision to Agreement of Purchase and Sale, insurance provision; forward same to JL and BG.			0.75
Nov 6	Communications with BG re: tax arrears; order tax certificate.			0.2
Nov 15	p/c with BG re: confirmation that existing purchaser has terminated Commence drafting Agreement of Purchase and Sale and disclosure requirements.			0.3
Nov 16	Review case law re: disclosure requirements; p/c with BG and JL re same;			1.4
Nov 17	Revisions to form of Agreement of Purchase and Sale; forward same to client			0.85
Nov 19	Review of amendments to Agreement of Purchase and Sale by proposed purchaser; communications with BG re same.			0.4
Dec 4	Receipt of email from purchaser's mortgage broker to confirm various aspects of transaction; reply to same.			0.2
Dec 12	Update title search and execution search; forward to client.			0.2
Dec 18	Commencing drafting opinion re: mortgage security			0.6
Dec 20	Conduct various searches to render security opinion including: title search, abutting property search, bankruptcy, P.P.S.A, Bank Act, Executions; complete drafting mortgage security opinion; forward same to BG.			1.3
TOTAL:				8.9

FISGARD CAPITAL CORPORATION

-and-

**ISLAM JASSEM (AKA ISLAM HAMMADI
JASSEM) et al.
Respondents**

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**PROCEEDING COMMENCED AT
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MOTION RECORD

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Lawyers for the Receiver