

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

B E T W E E N:

**ABBAS MOHAMMAD**

Applicant

and

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**MOTION RECORD OF ALBERT GELMAN INC.,  
COURT-APPOINTED LIQUIDATOR OF 2497486 ONTARIO INC.  
(MOTION RETURNABLE OCTOBER 29, 2018)**

**KRONIS ROTSZTAIN**  
**MARGLES CAPPEL LLP**  
25 Sheppard Avenue West, Suite 1100  
Toronto ON M2N 6S6

Philip Cho (45615U)  
pcho@krmc-law.com  
Tel: (416) 218-5494  
Fax: (416) 225-6751

Lawyers for Albert Gelman Inc.,  
court-appointed Liquidator of 2497486  
Ontario Ltd.

TO: **FOGLER, RUBINOFF LLP**  
Lawyers  
77 King Street West  
Suite 3000, P.O. Box 95  
TD Centre North Tower  
Toronto, ON  
M5K 1G8

Robert MacDonald  
rmacdonald@foglers.com  
Tel: (647) 729-0754  
Fax: (416) 941-8852

Lawyers for the applicant

AND TO: **FIJ LAW**  
50 West Pearce Street, Suite 10  
Richmond Hill ON  
L4B 1C5

Ryan Hanna  
rhanna@fijlaw.com  
Tel: (905) 763-3770  
Fax: (905) 763-3772

Lawyers for the respondents

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# TAB 1

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

B E T W E E N:

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and**  
**2497486 ONTARIO LTD.**

Respondents

**NOTICE OF MOTION**  
**(motion returnable October 29, 2018)**  
**(Non-Arms' Length Claims Procedure and Bar Order)**

**ALBERT GELMAN INC.**, in its capacity as court-appointed liquidator (the "**Liquidator**") of 2497486 Ontario Ltd. (the "**Company**"), will make a motion before a Judge presiding over the Commercial List on Monday, the 29<sup>th</sup> day of October, 2018 at 10:00 a.m. or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

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

**THE MOTION IS FOR AN ORDER:**

1. if necessary, abridging the time for service of this Notice of Motion and Motion Record, validating service and dispensing with any further service of this Notice of Motion and the Motion Record such that this motion is properly returnable on Monday, October 29, 2018;
2. authorizing and directing the Liquidator to implement a claims solicitation and claims bar procedure for the Applicant and the Respondents, excluding the Company (the "**Parties**");

3. approving the Second Report of the Liquidator dated October 23, 2018 (the “**Second Report**”), as well as the actions and activities of the Liquidator described therein, including the interim statement of receipts and disbursements of the Liquidator as at October 22, 2018;
4. approving the fees and disbursements of the Liquidator to September 20, 2018;
5. approving the fees and disbursements of the Liquidator’s counsel, Kronis, Rotsztain, Margles, Cappel LLP to September 30, 2018; and,
6. such further and other relief as counsel may advise and this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. On June 20, 2017, by Order of the Honourable Justice Conway (the “**Appointment Order**”), Albert Gelman Inc. was appointed as Liquidator without security, of all of the assets, undertakings and properties of the Company pursuant to section 207 and 210 of the *Business Corporations Act*, R.S.O., 1990, c. B-16, as amended (the “**Act**”);
2. Pursuant to the Appointment Order, the Liquidator entered into an agreement of purchase and sale for the principal asset of the Company, being certain real property (the “**Property**”);
3. On October 30, 2017, by Order of the Honourable Justice Hainey (the “**AVO**”), the sale of the Property was approved, and upon completion of the transaction, the Liquidator received certain net sale proceeds (the “**Net Sale Proceeds**”);

4. On October 30, 2017, the Honourable Justice Haaney authorized and directed that the Liquidator implement a process for soliciting, approving, and barring claims against the Company (the “**Claims Solicitation and Bar Order**”);
5. Pursuant to the Claims Solicitation and Bar Order, the Liquidator approved and paid the amounts in respect of all claims received, leaving certain amounts to be distributed to the Parties;
6. The Parties are non-arm’s length creditors and shareholders of the Company;
7. The claims solicitation and claims bar procedure proposed by the Liquidator provides for sufficient notice to the Parties, and is fair and reasonable, and appropriate in the circumstances;
8. Sections 209, 221(1), 223(1), and 229 of the Act;
9. Sections 97 and 100 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended;
10. Rules 2.03, 3.02, 16.08 and 37 of the *Rules of Civil Procedure*; and,
11. such further and other grounds as counsel may advise and this Honourable Court may permit.

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

1. the Second Report of the Liquidator, dated October 23, 2018 and the appendices contained therein; and,

2. such further and other material as counsel may advise and this Honourable Court may permit.

October 23, 2018

**KRONIS, ROTSZTAIN,  
MARGLES, CAPPEL LLP**  
Barristers and Solicitors  
25 Sheppard Avenue West, Suite 1100  
Toronto, Ontario M2N 6S6

Philip Cho (LSUC #45615U)  
Tel: (416) 225-8750  
Fax: (416) 225-6751  
Email: pcho@krmc-law.com

Lawyers for Albert Gelman Inc., in its  
capacity as court-appointed Liquidator of  
2497486 Ontario Ltd.

# TAB 2

Court File No.: CV-17-11740-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and**  
**2497486 ONTARIO LTD.**

Respondents

**SECOND REPORT OF ALBERT GELMAN INC.**  
**in its capacity as court-appointed liquidator**

(Dated October 23, 2018)

**I. INTRODUCTION**

1. This second report ("**Second Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as liquidator (the "**Liquidator**") appointed pursuant to the Order of the Honourable Justice Conway of the Ontario Superior Court of Justice, Commercial List, dated June 20, 2017 (the "**Appointment Order**"), without security, over all of the assets, undertakings and properties (the "**Property**") of 2497486 Ontario Inc. ("**2497486**" or the "**Company**"). The application was commenced by Abbas Mohammad. A copy of the Appointment Order along with the endorsement of Justice Conway dated June 20, 2017 is attached hereto as **Appendix "A"**.

2. Prior to the date of the Appointment Order the Liquidator (in its capacity as Proposed Liquidator at that time) prepared a report in respect of these proceedings (the "**Pre-Filing Report**"). The Pre-Filing Report contained, among other things, details

regarding the principal asset of the Company being the real property municipally known as 1028 Bloor Street West, Toronto (the “**Real Property**”) as well as details regarding the proposed sales process. A copy of the Pre-Filing Report (without appendices) is attached hereto as **Appendix “B”**.

3. The Appointment Order at paragraph 4.A. included approval of the Liquidator to enter into a listing agreement with a commercial realtor for the purposes of realizing on the Real Property.

4. In accordance with the Appointment Order, the Liquidator entered into an agreement of purchase and sale with Modern City Real Estate Investment Trust Company Ltd.<sup>1</sup> (the “**Purchaser**”) dated August 31, 2017 and executed by the Liquidator on September 2, 2017, including an Amendment to Agreement of Purchase and Sale executed on September 12, 2017 (collectively, the “**Purchase Agreement**”) which contemplated the sale to the Purchaser of the Real Property (the “**Transaction**”). Attached hereto as **Appendix “C”** is a copy of the Purchase Agreement.

5. On October 30, 2017 the Honourable Justice Hainey granted an order (the “**Approval and Vesting Order**”) approving, among other things, the Transaction and vesting the Company’s right, title and interest in and to the Real Property in the Purchaser free and clear of any and all encumbrances. Attached hereto as **Appendix “D”** is a copy of the Approval and Vesting Order.

6. The Liquidator prepared a report in respect of the October 30, 2017 motion dated October 18, 2017 (the “**First Report**”) and well as a confidential report dated October 18, 2017 (the “**Confidential Report**”). Attached hereto as **Appendices “E”** and “**F**” are copies of the First Report and Confidential Report, without appendices, respectively. In accordance with the Approval and Vesting Order, the Court ordered that the Confidential Report remain sealed until completion of the Transaction. As described in further detail below, the Transaction was completed on November 24, 2017.

<sup>1</sup> The Agreement of Purchase and Sale was initially entered into with Elia Mazzawi, in trust as purchaser.

7. It its First Report the Liquidator proposed a Claims Solicitation Process for the purposes of identifying any and all arm's length creditors with claims against 2497486 which arose prior to the Claims Bar Date, being January 19, 2018. On October 30, 2017 the Honourable Justice Hainey granted an order (the "**Claims Solicitation Procedure and Bar Order**") approving, among other things, the Claims Solicitation Process. Attached hereto as **Appendix "G"** is a copy of the Claims Solicitation Procedure and Bar Order.

## **II. PURPOSE OF THIS REPORT**

8. The purpose of this Second Report is to:
- a. provide details to the Court of the Liquidator's actions and activities subsequent to the date of the First Report;
  - b. seek an order approving this Second Report as well as the actions and activities of the Liquidator described herein, including the Liquidator's interim statement of receipts and disbursements as of October 22, 2018 (the "**Interim SRD**");
  - c. seek an order approving the proposed Non-Arm's Length Claims Solicitation Process (defined below);
  - d. seek an order approving the fees and disbursements of the Liquidator for the period from October 18, 2017 to September 20, 2018;
  - e. seek an order approving the fees and disbursements of the Liquidator's counsel, Kronis, Rotsztain, Margles, Cappel LLP for the period from October 18, 2017 to September 30, 2018; and,
  - f. seek an order providing for such further and other relief as this Honourable Court may deem just.

### **III. SCOPE, RESTRICTIONS AND TERMS OF REFERENCE**

9. In preparing this Second Report, the Liquidator has obtained and relied upon certain unaudited financial information of 2497486, 2497486's books and records, and discussions with both counsel for the Applicant, Mr. David Fogel, and counsel for the Respondents (excluding the Company), Mr. Ryan Hanna, as well as with two of the shareholders of 2497486, Mr. Stephen Celestial and Mr. Mustafa Ismael directly, and with 2497486's external accountant, Mr. Errol Chapman.

10. While the Liquidator has reviewed the various documents provided, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Liquidator expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

11. This report has been prepared for the use of this Court to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Liquidator will 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.

12. Unless otherwise noted, all monetary amounts referenced herein are expressed in Canadian dollars.

13. Terms not otherwise defined herein shall have the meanings ascribed to them in the First Report and draft form of Court Order included with the Liquidator's Motion Record for the motion returnable October 29, 2018.

### **IV. BACKGROUND INFORMATION**

14. 2497486 is a corporation incorporated under the laws of the province of Ontario.

15. The common shares of 2497486 are owned by Abbas Mohammad (50%), Stephen Celestial (25%) and Mustafa Ismael (25%) (collectively, the “**Shareholders**”).

16. Based on information set out in a corporation profile report obtained by the Liquidator dated September 10, 2018, the Shareholders are also the directors of 2497486.

17. The Liquidator understands that the Shareholders are divided with Abbas Mohammad on one side, and Stephen Celestial and Mustafa Ismael on the other, resulting in a deadlock situation. The appointment of the Liquidator was on consent of both the Applicant and the Respondents.

18. As was noted above, prior to the appointment of the Liquidator the principal asset of 2497486 was the Real Property which it managed. The Real Property consisted of a three story building with a commercial unit on the first floor and separate residential units on each of the second and third floors.

19. The Real Property was sold by the Liquidator and the Transaction closed on November 24, 2017 in accordance with the Approval and Vesting Order.

## **V. ACTIONS AND ACTIVITIES OF THE LIQUIDATOR**

20. The actions and activities of the Liquidator since the date of the First Report, and as reflected in the Interim SRD, are, among other things, as follows:

- a. Closed the Transaction, as further described below, including issuing and filing the Liquidator’s Certificate on November 24, 2017 in accordance with paragraph 6 of the Approval and Vesting Order;
- b. Undertook the Claims Solicitation Process, as further described below;
- c. Engaged the Company’s external accountant, Errol Chapman of Errol Chapman Professional Corporation (“**ECPC**”), to prepare the Company’s financial statements and tax filings for the year ended December 31, 2017;

- d. Issued payment to the Receiver General of Canada in the amount of \$94,329.59 for payment of corporate income taxes which resulted from the sale of the Real Property in the fiscal year ended December 31, 2017;
- e. Issued payment to Mr. Abbas Mohammad on December 5, 2017 in the amount of \$50,000 as a repayment of the third party funds provided to the Liquidator by Mr. Mohammad to guarantee the Liquidator's fees and disbursements in its capacity as Liquidator of the Company (defined as the "Guarantee" in the First Report);
- f. Cancelled the Company's insurance policies in respect of the Real Property following the closing of the Transaction; and,
- g. Engaged, through its counsel, with counsel to both the Applicant and the Respondents, for the purpose of determining an agreed upon process to determine the quantum of the claims of non-arm's length parties, including the claims of the Shareholders. The Liquidator understands that the proposed Non-Arm's Length Claims Solicitation Process (defined below) has been proposed to the Applicant and the Respondents in advance of this motion and that neither party has indicated that they oppose the relief being sought by the Liquidator in respect of this proposed process.

## **VI. CLOSING OF THE TRANSACTION**

21. The Approval and Vesting Order, at paragraph 1, authorized the Liquidator to complete (or close) the Transaction with the Purchaser and that the completion of the Transaction would occur when the Liquidator issued and filed with the Court the Liquidator's certificate.

22. In accordance with paragraph 6 of the Approval and Vesting Order and the Liquidator being satisfied the all steps had been taken in order to complete the Transaction, the Liquidator issued and filed with the Court the Liquidator's certificate on November 24, 2017. Attached hereto as **Appendix "H"** is a copy of the executed Liquidator's Certificate.

23. The Liquidator issued payment to Equitable Bank in accordance with its payout statement dated October 16, 2017 in order to satisfy the outstanding debt obligation of Equitable Bank and, as a result, Equitable Bank discharged its mortgage against title to the Real Property on December 5, 2017. Attached hereto as **Appendix “I”** is a copy of the registered discharge of Equitable Bank’s mortgage.

## **VII. CLAIMS SOLICITATION PROCESS - ARM’S LENGTH CREDITORS**

24. In accordance with the Claims Solicitation Procedure and Bar Order the Liquidator was empowered and authorized to undertake a process to identify, resolve and bar any and all claims against the Company, excluding the non-arm’s length claims of the Shareholder and other related parties (the “**Claims Solicitation Process**”).

25. The Claims Solicitation Process required that all claims were to be provided to the Liquidator prior to 5:00 p.m. eastern standard time on January 19, 2018 (the “**Claims Bar Date**”) and that if a creditor did not file a claim by the Claims Bar Date it would be forever barred from doing so and its claim against the Company would be extinguished.

26. In respect of the Claims Solicitation Process approved by the Court the Liquidator undertook the following activities:

- a. Published a notice in both the National Post and the Toronto Star on December 8, 2017 describing the Claims Solicitation Process and advising all creditors of 2497486 of the Claims Bar Date. Attached hereto as **Appendix “J”** are copies of the notices.
- b. Sent via electronic mail to all known creditors of 2497486 (as either identified by the Liquidator during these proceeding or as contained in the Company’s books and records), a proof of claim form to be sworn by the creditor under oath as well as instructions regarding the proper completion of the proof of claim form (together the “**Proof of Claim Document Package**”); and,

- c. Posted the Proof of Claim Document Package on the Liquidator's website.

27. In undertaking the Claims Solicitation Process the Liquidator received the following claims prior to the Claims Bar Date:

- a. Wilk Law sworn January 11, 2018 in the amount of \$4,536.95; and,
- b. Safetech Environmental Limited sworn January 9, 2018 in the amount of \$3,333.50.

(collectively, the "**Received Claims**")

28. Attached hereto as **Appendix "K"** are copies of the Received Claims.

29. There were no claims received by the Liquidator subsequent to the Claims Bar Date.

30. The Liquidator accepted both of the Received Claims. There were no claims received by the Liquidator which were disputed.

31. The Liquidator issued payment to the claimants in respect of each of the Received Claims in the amounts set out therein.

#### **VIII. PROPOSED CLAIMS SOLICITATION PROCESS - NON-ARM'S LENGTH CREDITORS**

32. As was noted above, the Shareholders are divided. As a result, the Liquidator believes a fulsome process should be conducted to determine the respective claims of each of the non-arm's length creditors prior to any distribution.

33. The Liquidator recommends the Court approve the process set out below, developed by the Liquidator, for the purpose of determining the nature and quantum of the claims of the non-arm's length creditors of 2497486 being Abbas Mohammad, Stephen Celestial and Mustafa Ismael. The Liquidator believes that the proposed claims solicitation process is efficient, expedient, fair and reasonable in the circumstances.

34. The draft form of Order included with the Liquidator's motion records indicates that if the Liquidator does not receive a proof of claim from any of the non-arm's length creditors before the Determination Date then the Net Proceeds shall be distributed as follows:

- a. \$217,123.13 to Abbas Mohammad ("**Mohammad**") in full and final satisfaction of his shareholder loan claim;
- b. \$125,411.57 to Stephen Celestial ("**Celestial**") in full and final satisfaction of his shareholder loan claim;
- c. \$106,900.00 to Mustafa Ismael ("**Ismael**") in full and final satisfaction of his shareholder loan claim; and,
- d. the balance of the Net Proceeds to be distributed to each of the Parties in accordance with the percentage of each Party's shareholding, which for greater certainty shall be: 50% to Mohammad; 25% to Celestial; and 25% to Ismael.

35. The above noted amounts were provided to the Liquidator by the Company's external accountant and represent the shareholder loan amounts owing to the Shareholders as they are recorded in the Company's accounting books and records. Attached hereto as **Appendix "L"** are the fiscal year ended December 31, 2017 financial statements along with the transactions detail reports for each of the three shareholder loan accounts.

36. The Liquidator will retain a properly qualified tax professional to assist the Liquidator to obtain a certificate from the Canada Revenue Agency ("CRA") certifying that the Liquidator is not liable to pay any additional amounts to the CRA in its capacity as Liquidator of the Company which certificate is commonly referred to as a "Clearance Certificate". The Liquidator will not be obligated to distribute any portion of the Net Proceeds until such time as it has received a Clearance Certificate and paid the specified amounts owing to the CRA, if any. The Liquidator notes that as part of the

Claims Solicitation Process previously undertaken and described above, it provided a Proof of Claim Document Package to the CRA and did not receive a response.

37. If any of the non-arm's length creditors disagree with the proposed distribution of the Net Proceeds as set out above they shall be permitted to file a Proof of Claim with the Liquidator on or before the Determination Date. The Determination Date shall be the date that is 30 days from the date of the Court Order approving this claims process (the "**Determination Date**").

38. In the event that the Liquidator does receive a Proof of Claim before the Determination Date and such claim differs from the amount(s) noted above, the following process shall be undertaken to determine the Claims of each of the non-arm's length creditor:

- a. The Liquidator shall review such Proof of Claim received and shall review the nature of the Claim set out therein and may investigate the Company's records and request further evidence or information from the Parties;
- b. The Liquidator may attempt to consensually resolve the amount of the Proof of Claim with the Parties or, upon completion of its investigation, shall send a Notice of Determination to the Parties as soon as is practicable after the Determination Date;
- c. any Party that objects to the Notice of Determination, shall deliver to the Liquidator a Notice of Dispute within 15 days of the issuance of the Notice of Determination, or, if no Party delivers the Notice of Dispute within such time, the value of such Parties' respective Claims shall be deemed to be as set out in the Notice of Determination;
- d. any Party who delivers a Notice of Dispute to the Liquidator in accordance with this Order, shall, unless otherwise agreed by the Liquidator in writing, by no later than 5:00 p.m. on the day that is 15 days after the service of the Notice of Dispute, serve, and file with this Court, a Notice of Motion seeking to appeal the Liquidator's determination, returnable on a date to be fixed by

this Court, and in any event, no later than 60 days from the date of the service of the Notice of Motion. If a Notice of Motion seeking to appeal is not filed within such period, then the Notice of Determination shall, subject to further order of this Court, be deemed to be final and binding.

(collectively, the “**Non-Arm’s Length Claims Solicitation Process**”)

39. The Liquidator is requesting that this Honourable Court approve the proposed Non-Arm’s Length Claims Solicitation Process.

#### **IX. LIQUIDATOR’S INTERIM SRD**

40. Attached hereto at **Appendix “M”** is the Liquidator’s Interim SRD.

#### **X. ACCOUNTS OF THE LIQUIDATOR AND ITS COUNSEL**

41. Attached hereto as **Appendix “N”** is the Affidavit of Tom McElroy regarding the Liquidator’s fees for the period from October 18, 2017 to September 20, 2018 accompanied by the supporting time dockets (the “**Liquidator’s Fees**”).

42. Attached hereto as **Appendix “O”** is the Affidavit of Mark Lieberman regarding the fees and disbursements of Kronis, Rotsztain, Margles, Cappel LLP (“**KRMC**”) for the period from October 18, 2017 to September 30, 2018 accompanied by the supporting time dockets.

43. The Liquidator believes that its fees and disbursements, as well as the fees and disbursements of its counsel, KRMC, are fair and reasonable.

#### **XI. LIQUIDATOR’S REQUEST FOR APPROVAL**

44. The Liquidator respectfully requests an Order of this Honourable Court:

- a. approving this Second Report of the Liquidator, as well as the actions and activities of the Liquidator described herein, including the Interim R&D;
- b. approving the proposed Non-Arm’s Length Claims Solicitation Process;

- c. approving the fees and disbursements of the Liquidator for the period from October 18, 2017 to September 20, 2018;
- d. approving the fees and disbursements of KRMC for the period from October 18, 2017 to September 30, 2018; and,
- e. providing for such further and other relief as this Honourable Court may deem just.

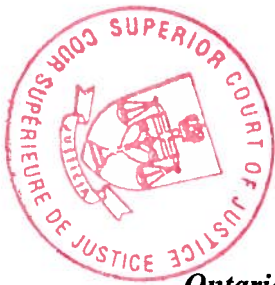
All of which is respectfully submitted this 23rd day of October, 2018.

**ALBERT GELMAN INC., solely in its  
capacity as the Court-Appointed Liquidator  
of 2497486 Ontario Ltd. and not in its  
Personal or any other Capacity**

Per:

  
\_\_\_\_\_  
Tom McElroy, CPA, CA, CBV, CIRP, LIT

# **APPENDIX “A”**



Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

*Ontario Business Corporations Act, R.S.O., Chapter B-16*

THE HONOURABLE MADAM	)	TUESDAY, THE 20 <sup>TH</sup>
	)	
JUSTICE CONWAY	)	DAY OF JUNE, 2017

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**ORDER**

**(appointing Liquidator and approving sale process)**

THIS MOTION made by the Applicant for an Order pursuant to section 207 and 210 of the *Business Corporations Act*, R.S.O., 1990, c. B-16, as amended (the "BCA") appointing Albert Gelman Inc. as liquidator (in such capacities, the "**Liquidator**") without security, of all of the assets, undertakings and properties of 2497486 Ontario Inc. (the "**Company**") acquired for, or used in relation to a business carried on by the Company, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Nima Baratzadeh sworn June 16, 2017 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and the Respondents, and on reading the consent of AGI to act as the Liquidator, and on being advised that the parties consent to the relief sought,

## **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.

## **WINDING UP AND APPOINTMENT**

2. THIS COURT ORDERS that, pursuant to section 207(b)(iii) and (iv) of the BCA, the Company be wound up.

3. THIS COURT ORDERS that pursuant to section 210 of the BCA, AGI is hereby appointed Liquidator, without security, of all of the assets, undertakings and properties of the Company acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof (the "**Property**").

## **LIQUIDATOR'S POWERS**

4. THIS COURT ORDERS that in addition to all powers provided to the Liquidator pursuant to Part XVI of the BCA, the Liquidator 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 Liquidator is hereby expressly empowered and authorized to do any of the following where the Liquidator considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Company, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Company;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Liquidator's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Company or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Company and to exercise all remedies of the Company in collecting such monies, including, without limitation, to enforce any security held by the Company;
- (g) to settle, extend or compromise any indebtedness owing to the Company;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the name and on behalf of the Company, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Company, the Property or the Liquidator, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Liquidator in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$5,000.00, provided that the aggregate consideration for all such transactions does not exceed \$50,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Liquidator deems appropriate on all matters relating to the Property, and to share information, subject to such terms as to confidentiality as the Liquidator deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Liquidator, in the name of the Company;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Company, including, without limiting the generality of the

foregoing, the ability to enter into occupation agreements for any property owned or leased by the Company;

- (q) to exercise any shareholder, partnership, joint venture or other rights which the Company may have; and
- (r) to apply to the court for an order dissolving the Company;
- (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 Liquidator 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 Company, and without interference from any other Person.

*PK ✓ 43.A. ✓* THIS COURT ORDERS that, without limiting any of the powers set out in paragraph 3 of this Order, the Liquidator is authorized and directed to enter into a standard listing agreement with a duly licensed commercial real estate agent (the “**Realtor**”) for the purpose of listing, marketing and selling the property, municipally known as 1028 Bloor Street West, Toronto, Ontario (the “**Real Property**”), and may, if deemed advisable by the Liquidator in consultation with the Realtor, take such actions or steps as may be required to lease any unit in the Real Property before listing the Real Property for sale, and is hereby authorized to do so.

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

5. THIS COURT ORDERS that (i) the Company, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Liquidator of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Liquidator, and shall deliver all such Property to the Liquidator upon the Liquidator's request.

6. THIS COURT ORDERS that all Persons shall forthwith advise the Liquidator 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 Company, 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 Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph <sup>2-5</sup> or in paragraph <sup>7-8</sup> 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 Liquidator due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

8. THIS COURT ORDERS that the Liquidator shall provide each of the relevant landlords with notice of the Liquidator's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Liquidator's entitlement to remove any such fixture under the provisions of

the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Liquidator, or by further Order of this Court upon application by the Liquidator on at least two (2) days notice to such landlord and any such secured creditors.

#### **NO PROCEEDINGS AGAINST THE LIQUIDATOR**

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

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

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

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

11. THIS COURT ORDERS that all rights and remedies against the Company, the Liquidator, or affecting the Property, are hereby stayed and suspended except with the written consent of the Liquidator 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 *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"), and further provided that nothing in this paragraph shall (i) empower the Liquidator or the Company to carry on any business which the Company is not lawfully entitled to carry on, (ii) exempt the Liquidator or the Company 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 LIQUIDATOR**

12. 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 Company, without written consent of the Liquidator or leave of this Court.

### **CONTINUATION OF SERVICES**

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Company 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 Company 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 Liquidator, and that the Liquidator shall be entitled to the continued use of the Company'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 Liquidator in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and the Liquidator, or as may be ordered by this Court.

### **LIQUIDATOR TO HOLD FUNDS**

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Liquidator from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Liquidator (the "**Post Liquidation Accounts**") and the monies standing to the credit of such Post Liquidation Accounts from time to time, net of any disbursements provided for herein, shall be held by the Liquidator to be paid in accordance with the terms of this Order or any further Order of this Court.

### **EMPLOYEES**

15. THIS COURT ORDERS that all employees of the Company shall remain the employees of the Company until such time as the Liquidator, on the Company's behalf, may terminate the employment of such employees. The Liquidator 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 Liquidator may specifically agree in writing to pay.

#### **PIPEDA**

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Liquidator 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 Liquidator, 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 Company, and shall return all other personal information to the Liquidator, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

17. THIS COURT ORDERS that nothing herein contained shall require the Liquidator 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 Liquidator from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Liquidator shall not, as a result of this Order or anything done

in pursuance of the Liquidator'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 LIQUIDATOR'S LIABILITY**

18. THIS COURT ORDERS that the Liquidator 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 Liquidator by Part XVI of the BCA or by any other applicable legislation.

#### **LIQUIDATOR'S ACCOUNTS**

19. THIS COURT ORDERS that the Liquidator and counsel to the Liquidator 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 Liquidator and counsel to the Liquidator shall be entitled to and are hereby granted a charge (the "**Liquidator'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 Liquidator's Charge shall form a charge on the Property.

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

21. THIS COURT ORDERS that prior to the passing of its accounts, the Liquidator 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 Liquidator or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE LIQUIDATION

22. THIS COURT ORDERS that the Liquidator 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 \$100,000.00 (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 Liquidator 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 "**Liquidator's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon.

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

24. THIS COURT ORDERS that the Liquidator is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Liquidator'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 Liquidator pursuant to this Order or any further order of this Court and any and all Liquidator'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 Liquidator's Certificates.

## SERVICE AND NOTICE

26. 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/insolvency-engagements/>'.

27. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Liquidator 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 Company's creditors or other interested parties at their respective addresses as last shown on the records of the Company 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 Liquidator may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

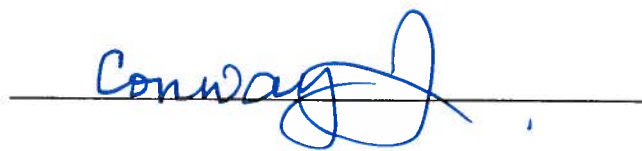
29. THIS COURT ORDERS that nothing in this Order shall prevent the Liquidator from acting as a trustee in bankruptcy of the Company.

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

31. THIS COURT ORDERS that the Liquidator 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 Liquidator 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.

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 Liquidator 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 A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JUN 20 2017

PER/PAR: Joanne Niccara

**SCHEDULE "A"**

**LIQUIDATOR CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Albert Gelman Inc., the liquidator (the "**Liquidator**") of the assets, undertakings and properties 2497486 Ontario Inc. (the "**Company**") acquired for, or used in relation to a business carried on by the Company, including all proceeds thereof (collectively, the "**Property**") 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-17-11740-00CL, has received as such Liquidator from the holder of this certificate (the "Lender") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Liquidator is authorized to borrow under and pursuant to the Order.

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

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Liquidator pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, subject to the priority of the charges set out in the Order, and the right of the Liquidator 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 Liquidator 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 Liquidator to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Liquidator 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 Liquidator of the Property, and not in its  
personal capacity

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

Name:

Title:

**Abbas Mohammad  
Applicant**

**-and- Stephen Celestial, et al  
Respondents**

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**PROCEEDING COMMENCED AT  
TORONTO**

**ORDER  
(APPOINTING LIQUIDATOR AND  
APPROVING SALE PROCESS)**

**LANDY MARR KATS LLP**  
2 Sheppard Avenue East, Suite 900  
Toronto ON M2N 5Y7

David Fogel (58572A)  
Tel: (416) 221-9343  
Fax: (416) 221-8928

Lawyers for the Applicant

RCP-E 4C (May 1, 2016)

COUNSEL SLIP (COMMERCIAL MOTIONS)

No On List: 10  
Court File No CV-17-11740-000 DATE: 20-Jun-2017  
Title of Proceeding: MOHAMMED, A.

COUNSEL FOR

Plaintiff(s):  
Applicant(s): Silverberg, Z.  
Petitioner(s):

PHONE NO. & FAX  
P: 416 221 4343  
F: 416 221 8928

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COUNSEL FOR

Defendant(s):  
Respondent(s): Ryan Hanna  
Counsel for Proposed Liquidator: P. Cho

F: 905-763-3772  
T: 905-763-3770

PHONE NO. & FAX  
P: 416-248-5494  
F: 416-225-6751  
e: pcho@krmc-law.com

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

affected by this order.  
Company

RELIEF SOUGHT: Consent order

June 20/17 DTG applying Lia + approving sale process this is not an insolvency + there are no provisions that seek to change any creditor etc priorities. Para 32 provides for any party to come to court, however, if it considers its interests

# **APPENDIX “B”**

Court File No.: CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
*Ontario Business Corporations Act, R.S.O., Chapter B-16***

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**PRELIMINARY REPORT OF ALBERT GELMAN INC.  
in its capacity as proposed liquidator**

(Dated June 15, 2017)

**I. INTRODUCTION**

1. Albert Gelman Inc. ("**AGI**") understands that Abbas Mohamad (the "**Applicant**") intends to bring a motion before the Ontario Superior Court of Justice for an Order ("**Liquidation Order**") pursuant to section 207 and 210 of the *Business Corporations Act*, R.S.O. 1990, c. B-16, as amended for an order winding up the respondent, 2497486 Ontario Ltd. ("**2497486**") and appointing AGI as liquidator ("**Liquidator**"), without security, of all of the assets, undertakings and property (the "**Property**"), owned by 2497486.

2. Albert Gelman Inc. is a licensed trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act* (Canada). AGI has consented to act as Liquidator in these proceedings in the event the Court grants the Liquidation Order. Until the

granting of the Liquidation Order and in the context of this preliminary report, AGI is referred to as the “**Proposed Liquidator**”.

## II. PURPOSE OF THIS REPORT

3. The purpose of the Proposed Liquidator’s preliminary report is to provide the Court with details regarding the following:

- a. the real property municipally known as 1028 Bloor Street West, Toronto (the “**Real Property**”) owned by 2497486;
- b. the shareholders and directors of 2497486;
- c. the secured creditors of 2497486;
- d. the request for the appointment of a Liquidator;
- e. the action and activities of the Proposed Liquidator prior to the date of the hearing to appoint the Liquidator which is scheduled for June 20, 2017; and,
- f. the Sales Process (defined below) that the Proposed Liquidator proposes to undertake in order to market and sell the Real Property.

## III. SCOPE AND TERMS OF REFERENCE

4. In preparing this report, the Proposed Liquidator has obtained and relied upon certain unaudited financial information of 2497486, 2497486’s books and records, and discussions with both counsel for the Applicant, Mr. David Fogel, and counsel for the Respondents, Mr. Ryan Hanna, as well as with two of the shareholders of 2497486, Mr. Stephen Celestial and Mr. Mustafa Ismael directly, and with 2497486’s accountant.

5. While the Proposed Liquidator has reviewed the various documents provided, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles (“**GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Proposed Liquidator expresses no opinion or other form of assurance pursuant to

GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

6. This report has been prepared for the use of this Court and 2497486's stakeholders as general information relating to 2497486 and to assist the Court in making a determination of whether to approve the relief sought by the Applicant. Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Proposed Liquidator will 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.

7. Unless otherwise noted, all monetary amounts referenced herein are expressed in Canadian dollars.

#### IV. BACKGROUND INFORMATION

##### Real Property

8. The principal asset of 2497486 is the Real Property which it manages. The Real Property consists of a three story building with a commercial unit on the first floor and separate residential units on each of the second and third floors. The commercial unit and the third floor residential unit are leased. The second floor residential unit is vacant.

9. The Proposed Liquidator obtained a parcel register from Land Registry Office #66 for the Land Titles Division in respect of the Real Property dated June 9, 2017 (the "**Parcel Register**") which indicates, among other things, the following:

- a. 2497486 is the registered owner in fee simple of the Real Property;
- b. There is a charge registered against title to the Real Property in favour of Equitable Bank on December 30, 2015 in the amount of \$900,000 as Instrument No. AT4107054; and,

- c. There is a Notice of Assignment of Rents – General registered against title to the Real Property in favour of Equitable Bank on December 30, 2015 as Instrument No. AT4107055;

10. Counsel for the Respondents provided the Proposed Liquidator with an appraisal of the Real Property which was prepared by York Simcoe Appraisal Corporation and dated May 25, 2017 (the “**Appraisal**”). The value set out in the Appraisal is not being disclosed at this time to avoid negatively impacting the marketing and sale of the Real Property. The Proposed Liquidator intends to provide a copy of the Appraisal to the Court under a sealing order when approval of a sale transaction is sought. At this time, the Proposed Liquidator notes that the appraised value exceeds the face amount of the Equitable Bank charge such that there appears to be sufficient equity in the Real Property, as will be more particularly described below.

#### Shareholders and Directors

11. The common shares of 2497486 are owned as follows:

- a. Abbas Mohammad – 50%;
- b. Stephen Celestial – 25%; and,
- c. Mustafa Ismael – 25%.

(collectively, the “**Shareholders**”)

12. Based on information set out in a corporation profile report obtained by the Proposed Liquidator dated June 13, 2017, the Shareholders are also the directors of 247486. Attached hereto as **Appendix “A”** is a copy of the corporation profile report.

13. The Proposed Liquidator understands that the Shareholders are divided with Abbas Mohammad on one side, and Stephen Celestial and Mustafa Ismael on the other, resulting in a deadlock situation.

#### Secured and Unsecured Creditors

14. Based on the information set out in the Parcel Register, Equitable Trust has a first charge on the Real Property. Counsel to the Applicant provided the Proposed Liquidator with a mortgage discharge statement in respect of the Equitable Trust mortgage which indicates that in order for Equitable Bank to agree to discharge the mortgage on June 20, 2017, Equitable Bank requires payment in the amount of \$838,291.73 (the "**Payout Statement**").

15. The Proposed Liquidator conducted a search pursuant to the *Personal Property Security Act* (Ontario) ("**PPSA**") on June 13, 2017 (the "**PPSA Search**") which identified, as of June 12, 2017, Equitable Bank as having registered a financing statement on December 31, 2015. The financing statement indicates that Equitable Bank claims a security interest against 2497486 in respect of inventory, equipment, accounts and other in the amount of \$900,000 pursuant to a General Assignment of Rents and a General Security Agreement with respect to the Real Property. There were no other creditors with registered security interests identified on the PPSA Search. Attached hereto as **Appendix "B"** is a copy of the PPSA Search.

16. The Proposed Liquidator is not in a position to report on the unsecured creditors of 2497486 at this time. However, the Proposed Liquidator is advised by the directors that the quantum of any unsecured debt is significantly less than the anticipated equity available in the Real Property.

17. The Proposed Liquidator also understands that 2497486 is not in default of any of its obligations at this time, and is not otherwise insolvent within the meaning of the *Bankruptcy and Insolvency Act* (Canada).

#### Appointment of Liquidator

18. The Proposed Liquidator has been advised by both counsel to the Applicant and counsel to the Respondents that the parties have agreed to the winding up of 2497486 and, for the purpose of winding up the company, the appointment of the Liquidator is on consent of both the Applicant and the Respondents.

19. The Proposed Liquidator understands that the Real Property, and any associated assets arising out of the Real Property, constitutes substantially all of the assets of 2497486. As such, the Liquidator anticipates that once the Real Property has been sold, the Liquidator will seek to pay out all of the creditors in full, pending only the resolution of any disputes as between the shareholders and the characterization of any of their claims as equity or debt.

## V. PRE-FILING ACTIVITIES OF THE PROPOSED LIQUIDATOR

20. Prior to the date of the Court hearing to appoint the Liquidator, the Proposed Liquidator undertook, among other things, the following activities:

- a. Met with the respondent shareholders and their legal counsel, Mr. Ryan Hanna, on June 7, 2017 at Mr. Hanna's office to discuss the appointment of a liquidator of the 2497486's property, and in particular, the Real Property;
- b. Participated in several conference calls with counsel for the Applicant and counsel for the Respondents to discuss the appointment of a liquidator;
- c. Provided the Applicant with its consent to the appointment as Liquidator. Attached hereto as **Appendix "C"** is a copy of the consent;
- d. Obtained a fee guarantee from the Applicant along with a third party deposit from the Applicant in the amount of \$50,000 in support of the guarantee;
- e. Retained Kronis, Rotsztain, Margles, Cappel LLP as its proposed legal counsel in this matter; and,
- f. Prepared this preliminary report.

## VI. PROPOSED SALE PROCESS

21. The Proposed Liquidator contemplates undertaking, among other things, the following steps in order to sell the Real Property:

- a. Select a licensed commercial real estate agent (the “**Realtor**”) and enter into a listing agreement with the Realtor;
- b. In consultation with the Realtor, determine whether the Proposed Liquidator should enter into or renew lease agreements in order to fill or avoid a vacancy of any of the units of the Real Property, and whether this should be done prior to the listing and marketing of the Real Property;
- c. Instruct the Relator to list the property on MLS and engage in any other marketing activities that it, in consultation with the Realtor, believes will improve the exposure to the market and ultimately result in the highest purchase offers;
- d. Negotiate any offer received from any prospective purchaser of the Real Property;
- e. Enter into to an agreement to sell the Real Property (the “**Transaction**”); and,
- f. Obtain an Order of this honourable Court to close the Transaction.

(collectively, the “**Sales Process**”)

22. The Proposed Liquidator anticipates that the ultimate purchaser of the Real Property will require an Order of the Court approving the Transaction and vesting in that purchaser 2497486’s right, title and interest in and to the Real Property free and clear of any encumbrances (the “**Approval and Vesting Order**”). In this regard, the Proposed Liquidator anticipates that any agreement of purchase and sale of the Real Property will be conditional on the Purchaser obtaining an Approval and Vesting Order.

## VII. **RECOMMENDATIONS**

23. For the reasons explained herein the Proposed Liquidator respectfully recommends that this Honourable Court make an Order approving:

- a. the appointment of the Proposed Liquidator as Liquidator of 2497486;

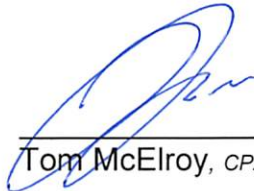
- b. this report and the activities of the Proposed Liquidator prior to the Court hearing to appoint the Liquidator described herein; and,
- c. the order sought by the Applicant, including with respect to the Sales Process.

\* \* \*

All of which is respectfully submitted this 15th day of June, 2017.

**ALBERT GELMAN INC., solely in its  
capacity as the Proposed Court-Appointed Liquidator of 2497486 Ontario Ltd.  
and not in its Personal or any other Capacity**

Per:



Tom McElroy, CPA, CA, CBV, CIRP, LIT

# **APPENDIX “C”**



# Agreement of Purchase and Sale Commercial



**Form 500**  
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 31 day of August, 2017

**BUYER**, Elia Mazzawi In Trust, agrees to purchase from  
(Full legal names of all Buyers)

**SELLER**, Albert Gelman Inc., Court-Appointed Liquidator Of 2497486 Ontario Ltd., the following  
(Full legal names of all Sellers)

**REAL PROPERTY:**

Address 1028 BLOOR ST W

fronting on the North side of Bloor

in the Toronto City of

and having a frontage of 20 Feet EM more or less by a depth of 122 Feet EM more or less

and legally described as Plan 622 Blk F Pt Lots 5&6

(the "property")  
(Legal description of land including easements not described elsewhere)

**PURCHASE PRICE:** Dollars (CDN\$) 1,950,000.00

One Million Nine Hundred Fifty Thousand Dollars

**DEPOSIT:** Buyer submits Upon acceptance  
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

Two Hundred Thousand Dollars (CDN\$) 200,000.00

by negotiable cheque payable to: FOREST HILL REAL ESTATE INC. "Deposit Holder"  
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

**SCHEDULE(S) A** B & C attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer until 11:59 p.m. on the 2 day of September, 2017, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 18 day of October, 2017. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

**IN CONJUNCTION WITH COURT APPROVAL IN ACCORDANCE WITH SCHEDULE B**

INITIALS OF BUYER(S): EM

INITIALS OF SELLER(S): EM

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3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: 905-695-6194  
(For delivery of Documents to Seller)

FAX No.: .....  
(For delivery of Documents to Buyer)

Email Address: michael@switzerhomes.com  
(For delivery of Documents to Seller)

Email Address: aarabia@gmail.com  
(For delivery of Documents to Buyer)

4. **CHATTELS INCLUDED:** .....  
All Existing Appliances, Light Fixtures And Equipment Belonging To The Seller.

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** .....


6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and not included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): EM

INITIALS OF SELLER(S): TM

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8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 9<sup>th</sup> day of October, 2017 (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (Mix Commercial/Residential) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.
9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

EM

INITIALS OF SELLER(S):

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- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;  
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

EM

INITIALS OF SELLER(S):

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28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

Witness signature lines and Buyer/Authorized Signing Officer signature and seal with date Aug 31, 2017.

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

Witness signature lines and Seller/Authorized Signing Officer signature and seal with date Sep 2/17.

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

Witness signature line and Spouse signature and seal with date.

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 9:00 a.m. on 2 day of September, 2017.

INFORMATION ON BROKERAGE(S) listing FOREST HILL REAL ESTATE INC. and RIGHT AT HOME REALTY INC. with salesperson names and contact info.

ACKNOWLEDGEMENT section with two columns for Seller and Buyer, including signature lines, dates, and contact information.

FOR OFFICE USE ONLY COMMISSION TRUST AGREEMENT section with text regarding trust agreement and authorized signatures.

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Form 500 for use in the Province of Ontario

Schedule A Agreement of Purchase and Sale - Commercial



This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER, Elia Mazzawi In Trust, and

SELLER, Albert Gelman Inc., Court-Appointed Liquidator Of 2497486 Ontario Ltd.

for the purchase and sale of 1028 BLOOR ST W Toronto

M6H 1M2 dated the 31 day of August, 2017

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

EM

The Seller represents and warrants that during the time the Seller has owned the property, the use of the property and the buildings and structures thereon has not been for the growth or manufacture of any illegal substances, and that to the best of the Seller's knowledge and belief, the use of the property and the buildings and structures thereon has never been for the growth or manufacture of illegal substances. This warranty shall survive and not merge on the completion of this transaction.



The Buyer shall have the right to inspect the property prior to completion for the purpose of inspection for (c.g., financing, insurance, estimate(s) from contractors(s) etc.) 1 to a maximum of 4 time(s), at a mutually agreed upon time(s). The Seller agrees to provide access to the property for the purpose of the inspection(s).

This Offer is conditional upon the approval of the terms hereof by the Buyer's Solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on September 12, 2017, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Upon acceptance of this Offer, the Seller agrees to provide the Buyer with copies of all leases on the property. Upon review by the Buyer, if the terms of said leases are unacceptable to the Buyer, in the Buyer's sole and absolute discretion, the Buyer shall have the right to terminate this Agreement by notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on September 12, 2017, and the deposit shall be returned to the Buyer in full without deduction.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

EM

INITIALS OF SELLERS(S):

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# Schedule A Agreement of Purchase and Sale – Commercial

**Form 500**  
for use in the Province of Ontario



This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER, Elia Mazzawi In Trust**....., and

**SELLER, Albert Gelman Inc., Court-Appointed Liquidator Of 2497486 Ontario Ltd.**.....

for the purchase and sale of **1028 BLOOR ST W** ..... **Toronto** .....

**M6H 1M2** ..... dated the **31** ..... day of **August** ..... **20 17** .....

This Offer is conditional upon the inspection of the subject property by a building inspector at the Buyer's own expense, and the obtaining of a report satisfactory to the Buyer in the Buyer's sole and absolute discretion. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on Sep 12, 2017, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. The Seller agrees to co-operate in providing access to the property for the purpose of this inspection. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

*EM Seller*

This Offer is conditional upon the approval of the terms hereof by the Seller's Solicitor. Unless the Buyer gives notice in writing delivered to the Buyer personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on September 12, 2017, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Seller and may be waived at the Seller's sole option by notice in writing to the Buyer as aforesaid within the time period stated herein.



This form must be Initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

*EM*

INITIALS OF SELLER(S):

*TM*

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**SCHEDULE "B" TO THE AGREEMENT OF PURCHASE AND SALE**

1. The Property is being sold on an "as is, where is" and "without recourse" basis with no representations, warranties or (except as expressly stated herein) condition, express or implied, statutory or otherwise of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, defect (latent or patent), condition, location of structures, improvements and mezzanines or the legality thereof, zoning or lawful use of the Property, rights over adjoining properties and any easements, right-of-way, rights of re-entry, restrictions and/or covenants which run with the land, ingress and egress to the Property, the condition or state of repair of any chattels, encroachments on the Property by adjoining properties or encroachments by the Property on adjoining properties, if any, any outstanding work orders, orders to comply, deficiency notices, building permits or building permit applications, municipal or other governmental requirements agreements or requirements (including site plan agreements, development agreements, Subdivision agreements, building or fire codes, building and zoning bylaws and regulations, development fees, imposts, lot levies and sewer charges) or any other matter or thing whatsoever, either stated or implied. The Buyer acknowledges having reviewed the state of title to the property and agrees to accept title subject to all of the foregoing, and that it shall, despite any presumption to the contrary at law or otherwise, not be entitled to make any requisition as to title or otherwise.
  
2. This Agreement is conditional upon the Seller obtaining an Order of the Court approving the said Agreement, as well as conditional upon the Seller obtaining an Order of the Court vesting the Property in the Buyer, on Closing directing all registered charges, including, but not limited to:

~~a. Charge in favour of Equitable Bank registered on December 30, 2013 in the amount of \$900,000 as instrument No. AT4107034~~

only to be deleted from title (collectively, the "Sale Approval and Vesting Order"). The Buyer shall accept title to the Property subject to all other encumbrances and registrations. On Closing, title will be transferred by the Sale Approval and Vesting Order and not by Transfer/Deed of Land. Buyer acknowledges and agrees that it shall satisfy itself regarding title during the Buyer's Conditional Period set out in Schedule ~~A (The Buyer's Conditional Period)~~.

3. The Buyer acknowledges that it has relied entirely on its own judgment, inspection and investigation of the Property and any rights necessary to the access, use and enjoyment of, appurtenant or otherwise, the Property.

EM



4. In the event of any conflict or inconsistency between any provision of this Schedule "B" and any provision of this Agreement of Purchase and Sale not contained in Schedule "B", the provision of Schedule "B" shall govern and prevail.
5. The Buyer acknowledges that the Seller is selling the Property pursuant to the Sale Approval and Vesting Order.
6. The Seller shall not be required to furnish any abstracts of title or any survey or other document.
7. The Buyer acknowledges that the fixtures, improvements and chattels, if any, presently on the Property are to be taken by it, at its own risk completely, without representation or warranty of any kind from the Seller as to the ownership or state of repair of any such fixtures, improvements and chattels. The Buyer further acknowledges that the chattels and fixtures presently on the Property may be subject to security interests.
8. ~~The Buyer acknowledges and agrees that the Buyer is acquiring the Property together with all of the chattels (list to be provided) on an "as is where is" basis.~~ The Buyer represents and warrants to the Seller that the Buyer has absolutely satisfied itself as to the status and condition of the Chattels including without limitation their state of repairs.
9. The Buyer agrees with the Seller that the Buyer takes title to the Property subject to any tenancies in existence. The Buyer shall obtain possession of the Property at the Buyer's own expense. The Buyer acknowledges that the Seller will not obtain or provide any acknowledgments or agreements with respect to the Property from third parties, the property manager and any tenants.
10. The Buyer acknowledges that any information supplied to the Buyer by the Seller or its agents or representatives is, and was supplied, without any representation or warranty, and that the responsibility for the verification of any such information shall be wholly the responsibility of the Buyer.
11. The Buyer shall be responsible for payment of all outstanding realty taxes owing on the Property from the Closing Date, and payment of all taxes exigible on sale and transfer of the Property and any Chattels and fixtures, including without limitation, HST as applicable, retail sales tax as applicable and Land Transfer Tax.
12. The Seller shall provide the Buyer with only the keys to the Property that are in its possession.
13. **CLOSING DATE:** The closing date shall occur on the later of (i) five (5) days (not including Saturday, Sunday or any day which is a statutory holiday in the Province of Ontario) following the obtaining of the Court Approval and Vesting Order by the Seller, or (ii) on such later date as the Seller may designate, in its sole discretion.

PROVIDED THAT in the event that the Court Approval and Vesting Order are for any reason (not including the default of the Buyer) not obtained by the 90th day following the date of this Agreement, this Agreement shall be null and void and the deposit shall be returned to the Buyer.

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**CLOSING DOCUMENTS**Deliveries by Seller

14. The Seller will deliver on closing to the Buyer a certificate signed by the Seller confirming that the Seller is not a non-resident of Canada for the purpose of section 116 of the Income Tax Act, together with the Sale Approval and Vesting Order for registration by the Buyer, with all Land Transfer Taxes to be paid by the Buyer.

Deliveries by Buyer

15. At or before Closing, upon fulfillment by the Seller of all of the conditions herein in favour of the Buyer which have not been waived in writing by the Buyer, the Buyer shall deliver the following, each of which shall be in form and substance satisfactory to the Seller, acting reasonably:
- a. payment of the Purchase Price pursuant to this Agreement;
  - b. a certified copy of the articles of incorporation of the Buyer;
  - c. evidence satisfactory to the Seller that the Buyer is registered for HST under the Excise tax Act, including the Buyer's HST number and an undertaking to self-assess for HST; and

such further and other documentation as is referred to in this Agreement or as the Seller may reasonably require to give effect to this Agreement.

**CONFIDENTIALITY**

16. The Buyer shall not publicly announce the existence of the Agreement of Purchase and Sale or disclose any of its contents except:
- a. in accordance with a written public statement or other form of disclosure satisfactory to both parties; or
  - b. as required in connection with the application for Court approval.

**GENERAL**

17. Any notice to be given or document to be delivered to the Seller pursuant to this Agreement shall be sufficient if delivered personally or by facsimile transmission to the Seller as follows:

Albert Gelman Inc.  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 302

EM



Attention: Tom McElroy  
Fax: 416-504-1655 ext. 117  
Email: tmcclroy@albertgelman.com

With a Copy to: Kronis, Rotsztain, Margles, Cappel LLP  
25 Sheppard Ave W #1100,  
North York, ON M2N 6S6  
Attention: Philip Cho  
Fax: 416.225.6751  
Email: pcho@krmc-law.com

18. Any notice to be given or document to be delivered to the Buyer pursuant to this Agreement shall be sufficient if delivered personally or by facsimile transmission to the Buyer as follows:

Name: Amir Aarabi Hashemi- Right At Home Realty Inc  
Address: 5111 New St. Burlington  
Attention: Amir Aarabi  
Fax: 905-637-1070  
Email: aarabia@gmail.com

With a Copy to: Howard Waldman  
Address: 7636 Yonge St, Thornhill  
Attention: Howard Waldman  
Fax: 905-881-3199  
Email: howard@howardwaldman.com

19. Any written notice or delivery of documents given in either manner prior to 5:00 p.m. (Toronto time) on a Business Day shall be deemed to have been given and received on the day of delivery or facsimile transmission. The address for notice to either party may be changed by notice in writing given by such party to the other party.
20. This Agreement shall be interpreted with all changes of gender and number required by the context.
21. This Agreement or any amendments to this Agreement may be delivered by either party by facsimile transmission, email or any similar system reproducing the original with the necessary signatures. Such delivery shall be deemed to be made when the facsimile transmission or email is received by the applicable party. The signatory shall promptly thereafter deliver the original to the recipient if requested to do so.

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22. On the closing date, the Buyer shall deliver the balance of the purchase price due on closing by wire transfer in good funds using the LVTS system to the Seller or as Seller shall direct, together with other closing documents as provided above, all not later than 11:00 a.m. on the date set for closing (unless the Seller otherwise agrees in its sole discretion). The parties agree that the transaction shall proceed in accordance with the terms of a Document Registration Agreement to be prepared by the Seller's solicitors in the Seller's solicitors' standard form for receivership sales which shall set out the arrangements more particularly described in section 11 of the Agreement of Purchase and Sale.
23. In the event that the closing date falls on a date on which the court office or the land registry office is not open or available to accept registrations, then in such event the closing shall take place on the next day on which the court office and the land registry office are open.
24. Property taxes only shall be adjusted as of the closing date. The Buyer acknowledges and agrees that the Seller shall not deliver any undertaking to re-adjust on closing.
25. Sections 10, 12, 14, 16, 17, 18 and 23 of the Agreement of Purchase and Sale are hereby deleted.
26. Notwithstanding anything to the contrary contained in this Agreement, if at any time or times prior to the closing date, the Seller is unable to complete this Agreement as a result of any action taken by an encumbrancer, any action taken by the present registered owner, the refusal by the present registered owner to take any action, the exercise of any right by the present registered owner or other party which is not terminated upon acceptance of this Agreement, a certificate of pending litigation is registered against the Property, a court order is made prohibiting the completion of the sale, or if the Buyer submits a valid title requisition which the Seller is unable or unwilling to satisfy prior to Closing, or if the sale of the Property is restrained or otherwise enjoined at any time by a Court of competent jurisdiction, the Seller may, in its sole and unfettered discretion, elect by written notice to the Buyer to terminate this Agreement, whereupon the deposit and any interest earned thereon shall be returned to the Buyer and neither party shall have any further rights or liabilities hereunder against the other.
27. The Seller, by acceptance of the Offer, is entering into the Agreement solely in its capacity as the Court Appointed Liquidator of 2497486 Ontario Ltd. and not in its personal or any other capacity. Any claim against the Seller shall be limited to, and only enforceable against the property and assets then held by or available to the Seller in its capacity as Liquidator and shall not apply to its personal property and assets held by it in any other capacity. The Seller shall have no personal or corporate liability of any kind, whether in equity, contract, tort or otherwise.

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# Schedule ~~D~~<sup>C</sup> Agreement of Purchase and Sale



**Form 105**  
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER,** Ella Mazzawi In Trust....., and

**SELLER,** Albert Gelman Inc., Court-Appointed Liquidator Of 2487488 Ontario Ltd......

for the property known as 1028 Bloor St. West Toronto.....

..... dated the 31..... day of August....., 2017.....

Further to the Deposit clause contained in this Agreement of Purchase and Sale, the Buyer agrees to provide a certified cheque, or bank draft, drawn from a Canadian Bank, as a deposit within one business day of the acceptance of this Offer. Upon receipt of the aforementioned payment, the uncertified cheque if provided upon acceptance of this Offer, will be returned to the Buyer or the Buyer's agent. This clause shall also pertain to any additional deposits as specified in the Agreement of Purchase and Sale.


The Buyer Acknowledges that the deposit referred to herein shall be placed in Forest Hill Real Estate Inc. Brokerage's interest bearing trust account, bearing interest at the flexible rate of prime less 2.5%. Provided that the deposit is not less than Five Thousand (\$5,000.00) Dollars and held for not less than thirty (30) days, interest shall be paid to the Buyer at the rate we receive. Interest shall be paid to the date of completion only. Forest Hill Real Estate Inc., Brokerage requests that the Buyer provide a Social Insurance Number for use on the required Revenue Canada T5 forms.

For the purpose of this Agreement, the term "banking days" or "business days" shall mean any day, other than a Saturday, Sunday or a statutory holiday in Toronto, Ontario, Canada.

The parties to this Agreement of Purchase and Sale acknowledge that Forest Hill Real Estate Inc., has recommended that they obtain advice from their legal counsel prior to signing this document.

The parties acknowledge that if a home inspection, floor plans, or any other marketing material is provided, they are for reference purposes only, and that Forest Hill Real Estate Inc. is not responsible for the accuracy of the information provided. The Buyer acknowledges that they are able to have their own home inspection conducted if desired.

~~The Seller warrants that to the best of his knowledge the property has never been used as a marijuana grow operation or a drug lab.~~ EM

The Buyer and Seller agree to allow the Listing Brokerage and the Co-operating Brokerage to use the subject property in future marketing material. 

If the Agreement of Purchase and Sale allows for Buyer visits to the premises after said Agreement is firm and binding, said visits shall be for personal and/or decorative purposes. Each visit shall be limited to ONE (1) hour in length unless otherwise agreed by the Seller.

The Buyer and Seller hereby acknowledge that The Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) is Canada's financial intelligence unit. Its mandate is to facilitate the detection, prevention and deterrence of money laundering and the financing of terrorist activities, while ensuring the protection of personal information under its control. The Buyer and Seller further acknowledge that the Real Estate Brokerage(s) involved with this transaction shall be required to obtain personal information from them as required under the act.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S): EM

INITIALS OF SELLER(S): 

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# Amendment to Agreement of Purchase and Sale



**Form 120**  
for use in the Province of Ontario

**BETWEEN BUYER, Elia Mazzawi In Trust**

**AND SELLER, Albert Gelman Inc., Court-Appointed Liquidator Of 2497486 Ontario Ltd.**

**RE:** Agreement of Purchase and Sale between the Seller and Buyer, dated the 31 day of August, 2017,

concerning the property known as 1028 BLOOR ST W Toronto

M6H 1M2 as more particularly described in the aforementioned Agreement.

**The Buyer(s) and Seller(s) herein agree to the following amendment(s) to the aforementioned Agreement:**

Insert/Delete:

Delete:

This Offer is conditional upon the approval of the terms hereof by the Buyer's Solicitor. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on September 12, 2017, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Upon acceptance of this Offer, the Seller agrees to provide the Buyer with copies of all leases on the property. Upon review by the Buyer, if the terms of said leases are unacceptable to the Buyer, in the Buyer's sole and absolute discretion, the Buyer shall have the right to terminate this Agreement by notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on September 12, 2017, and the deposit shall be returned to the Buyer in full without deduction.

This Offer is conditional upon the inspection of the subject property by a building inspector at the Buyer's own expense, and the obtaining of a report satisfactory to the Buyer in the Buyer's sole and absolute discretion. Unless the Buyer gives notice in writing delivered to the Seller personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on Sep 12, 2017, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. The Seller agrees to co-operate in providing access to the property for the purpose of this inspection. This condition is included for the benefit of the Buyer and may be waived at the Buyer's sole option by notice in writing to the Seller as aforesaid within the time period stated herein.

Completion Date:  
October 18, 2017

INITIALS OF BUYER(S):

*EM*

INITIALS OF SELLER(S):

*[Handwritten Signature]*

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# Amendment to Agreement of Purchase and Sale



## Form 120

for use in the Province of Ontario

**BETWEEN BUYER,** Elia Mazzawi In Trust

**AND SELLER,** Albert Gelman Inc., Court-Appointed Liquidator Of 2497486 Ontario Ltd.

**RE:** Agreement of Purchase and Sale between the Seller and Buyer, dated the 31 day of August, 2017

concerning the property known as 1028 BLOOR ST W Toronto

M6H 1M2 as more particularly described in the aforementioned Agreement.

The Buyer(s) and Seller(s) herein agree to the following amendment(s) to the aforementioned Agreement:

Insert/Delete:

Insert:

Completion Date: November 23, 2017

The Seller will acknowledge that on closing date deposits for last month rent will be adjusted accordingly.

INITIALS OF BUYER(S): EM

INITIALS OF SELLER(S): [Signature]



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**IRREVOCABILITY:** This Offer to Amend the Agreement shall be irrevocable by Buyer until 5 p.m.  
(Seller/Buyer)

on the 13 day of September, 2017, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor. Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

All other Terms and Conditions in the aforementioned Agreement to remain the same.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

[Signature]  
.....  
[Witness]

[Signature]  
.....  
[Buyer/Seller]

● DATE Sep 12/17  
(Seal)

.....  
[Witness]

.....  
[Buyer/Seller]

● DATE .....  
(Seal)

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

[Signature]  
.....  
[Witness]

[Signature]  
.....  
[Buyer/Seller]

● DATE Sept 12/17  
(Seal)

.....  
[Witness]

.....  
[Buyer/Seller]

● DATE .....  
(Seal)

The undersigned spouse of the Seller hereby consents to the amendment(s) hereinbefore set out.

.....  
[Witness]

.....  
[Spouse]

● DATE .....  
(Seal)

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 9 a.m./p.m. on 12<sup>th</sup> day of September, 2017

[Signature]  
.....  
(Signature of Seller or Buyer)

**ACKNOWLEDGEMENT**

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

[Signature] ..... DATE Sep 12/17

[Signature] ..... DATE Sep 12/17

..... DATE .....

..... DATE .....

[Seller] Address for Service .....

[Buyer] Address for Service .....

..... Tel.No. ....

..... Tel.No. ....

Seller's Lawyer .....

Buyer's Lawyer .....

Address .....

Address .....

Email .....

Email .....

.....

.....

.....

.....

Tel.No. FAX No.

Tel.No. FAX No.

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**Form 123**  
for use in the Province of Ontario

**BUYER:** ELIA MAZZAWI IN TRUST

**SELLER:** ALBERT GELMAN INC., COURT-APPOINTED LIQUIDATOR OF 2497486 ONTARIO LTD.

**REAL PROPERTY:** 1028 BLOOR STREET WEST

PLAN 622 BLK F PT LOTS 5 & 6 CITY OF TORONTO

In accordance with the terms and conditions of the Agreement of Purchase and Sale dated the 31 day of August

20.17, regarding the above property, I/We hereby waive the condition(s) which read(s) as follows:

This Offer is conditional upon the approval of the terms hereof by Seller's Solicitor. Unless the Seller gives notice in writing delivered to the Buyer personally or in accordance with any other provisions for the delivery of notice in this Agreement of Purchase and Sale or any Schedule thereto not later than 9:00 p.m. on September 12, 2017, that this condition is fulfilled, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without deduction. This condition is included for the benefit of Seller and may be waived at the Seller's sole option by notice in writing to the Buyer as aforesaid within the time period state herein.

All other terms and conditions in the aforementioned Agreement of Purchase and Sale to remain unchanged.

For the purposes of this Waiver, "Buyer" includes purchaser, tenant, and lessee, and "Seller" includes vendor, landlord, and lessor, and "Agreement of Purchase and Sale" includes an Agreement to Lease.

WAIVED at Toronto, Ontario, at 9 a.m./p.m. this 12 day of September 20.17

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:

(Witness)

(Buyer/Seller)

(Seal)

DATE Sept 12/17

(Witness)

(Buyer/Seller)

(Seal)

DATE

Receipt acknowledged at ..... a.m./p.m. this ..... day of ..... 20..... by:

Print Name: ..... Signature: .....

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# Registrant's Disclosure of Interest Acquisition of Property



**Form T60**  
for use in the Province of Ontario

This statement is made in accordance with the requirements of the Real Estate and Business Brokers Act and Code of Ethics Regulations of the Province of Ontario.

I, Elia Mazzawi ..... declare that I am a registered  
(Name of Registrant)

Real Estate Salesperson representing RIGHT AT HOME REALTY INC.  
(Brokerage/Broker/Salesperson) (Name of Brokerage)

In connection with a proposed Offer to Purchase/Lease/Exchange/Option your Property known as 1028 Bloor St West

Please be advised that, if the proposed Offer is accepted, I will be either directly or indirectly acquiring an interest in your Property.

NOTE: If the Registrant's Interest is indirect, explain the nature of the interest in accordance with the definition of a "Related Person", as defined in the Code of Ethics Regulations of the Real Estate and Business Brokers Act.  
EXPLANATION: .....

I hereby declare that the following is a full disclosure of all facts within my knowledge that affect or will affect the value of your Property:

## Will be purchasing the property under a company that I will own

(Attach Appendix "A" if necessary)

AND

I hereby declare that the following is a full disclosure of the particulars of any agreement by, or on behalf of myself for the sale, exchange, option or other disposition of any interest in your Property to any other person:

(Attach Appendix "B" if necessary)

I will ..... be receiving a portion of any commission payable in connection with this transaction.  
(will/will not)

For the purposes of this Registrant's Statement as Buyer, "Buyer" includes purchaser, tenant and lessee, and "Seller" includes vendor, landlord and lessor.

Elia Mazzawi ..... DATE Aug 31/17  
(Signature of Registrant who is making the Declaration)

[Signature] ..... DATE .....

### ACKNOWLEDGEMENT

I/We, the undersigned, as Seller(s) in this transaction have read and clearly understand this statement and acknowledge this date having received a copy of same, PRIOR TO BEING PRESENTED WITH AN OFFER TO PURCHASE, LEASE, EXCHANGE, OR OPTION.

..... DATE SEP 2/17  
(Witness) (Seller)

..... DATE .....

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# Registrant's Disclosure of Interest Acquisition of Property



## Form 160

for use in the Province of Ontario

This statement is made in accordance with the requirements of the Real Estate and Business Brokers Act and Code of Ethics Regulations of the Province of Ontario.

I, Amir Seyed Aarabi Hashemi ..... declare that I am a registered  
(Name of Registrant)

Real Estate Salesperson ..... representing RIGHT AT HOME REALTY INC.  
(Brokerage/Broker/Salesperson) (Name of Brokerage)

in connection with a proposed Offer to Purchase/Lease/Exchange/Option your Property known as 1028 Bloor St West, Toronto

Please be advised that, if the proposed Offer is accepted, I will be either directly or indirectly acquiring an interest in your Property.

NOTE: If the Registrant's interest is indirect, explain the nature of the interest in accordance with the definition of a "Related Person", as defined in the Code of Ethics Regulations of the Real Estate and Business Brokers Act.  
EXPLANATION: .....

I hereby declare that the following is a full disclosure of all facts within my knowledge that affect or will affect the value of your Property:

**I am partners with Elia Mazzawi and have interest in his company**

AND (Attach Appendix "A" if necessary)  
I hereby declare that the following is a full disclosure of the particulars of any agreement by, or on behalf of myself for the sale, exchange, option or other disposition of any interest in your Property to any other person:

I will (w/ll/wil) not) ..be receiving a portion of any commission payable in connection with this transaction. (Attach Appendix "B" if necessary)

For the purposes of this Registrant's Statement as Buyer, "Buyer" includes purchaser, tenant and lessee, and "Seller" includes vendor, landlord and lessor.

(Signature of Registrant who is making the Declaration) Amir Hashemi DATE Aug 31/17

(Signature of Broker of Record/Manager of Brokerage) \_\_\_\_\_ DATE \_\_\_\_\_

### ACKNOWLEDGEMENT

I/We, the undersigned, as Seller(s) in this transaction have read and clearly understand this statement and acknowledge this date having received a copy of same, PRIOR TO BEING PRESENTED WITH AN OFFER TO PURCHASE, LEASE, EXCHANGE, OR OPTION.

(Witness) X (Seller) \_\_\_\_\_ DATE SEP 21/17

(Witness) \_\_\_\_\_ (Seller) \_\_\_\_\_ DATE \_\_\_\_\_

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# Confirmation of Co-operation and Representation

**Form 320**  
for use in the Province of Ontario

**BUYER:** Elia Mazzawi In Trust

**SELLER:** Albert Gelman Inc., Court-Appointed Liquidator Of 2497486 Ontario Ltd.

For the transaction on the property known as: 1028 BLOOR ST W Toronto M6H 1M2

**DEFINITIONS AND INTERPRETATIONS:** For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, or a prospective, seller, vendor or landlord and "Buyer" includes a purchaser, a tenant, or a prospective, buyer, purchaser or tenant, "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

**DECLARATION OF INSURANCE:** The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002 (REBBA 2002) and Regulations.

**1. LISTING BROKERAGE**

- a)  The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
  - 1)  The Listing Brokerage is not representing or providing Customer Service to the Buyer.  
(If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
  - 2)  The Listing Brokerage is providing Customer Service to the Buyer.
- b)  **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:
  - That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
  - That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
  - The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
  - The price the Buyer should offer or the price the Seller should accept;
  - And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.
 However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: {e.g. The Listing Brokerage represents more than one Buyer offering on this property.}

**2. PROPERTY SOLD BY BUYER BROKERAGE - PROPERTY NOT LISTED**

- The Brokerage .....represent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid  
(does/does not)
- by the Seller in accordance with a Seller Customer Service Agreement
- or:  by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: {e.g. The Buyer Brokerage represents more than one Buyer offering on this property.}

**INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)**

EM  
BUYER

AA  
CO-OPERATING/BUYER BROKERAGE

[Signature]  
SELLER

[Signature]  
LISTING BROKERAGE

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3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE- REPRESENTATION:

- a)  The Co-operating Brokerage represents the interests of the Buyer in this transaction.
- b)  The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
- c)  The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE- COMMISSION:

- a)  The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property 2.5% + Hst to be paid from the amount paid by the Seller to the Listing Brokerage.  
(Commission As Indicated In MLS® Information)
- b)  The Co-operating Brokerage will be paid as follows:

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.



SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

**RIGHT AT HOME REALTY INC.**  
 (Name of Co-operating/Buyer Brokerage)  
 5111 NEW STREET UNIT 100 BURLINGTON  
 Tel: (905) 637-1700 Fax: (905) 637-1070  
 Date: Aug 31, 2017  
 (Authorized to bind the Co-operating/Buyer Brokerage)  
**AMIR SEYED H AARABI HASHEMI**  
 (Print Name of Broker/Salesperson Representative of the Brokerage)

**FOREST HILL REAL ESTATE INC.**  
 (Name of Listing Brokerage)  
 9001 DUFFERIN ST UNIT A9 THORNHILL  
 Tel: (905) 695-6195 Fax: (905) 695-6194  
 Date: September 2, 2017  
 (Authorized to bind the Listing Brokerage)  
**MICHAEL SWITZER**  
 (Print Name of Broker/Salesperson Representative of the Brokerage)


**CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)**

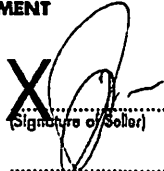
The Buyer/Seller consent with their initials to their Brokerage representing more than one client for this transaction.


  
 BUYER'S INITIALS                      SELLER'S INITIALS

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

 Date: Aug 31, 2017  
 (Signature of Buyer)  
 \_\_\_\_\_ Date: \_\_\_\_\_  
 (Signature of Buyer)

 Date: Sep 2, 2017  
 (Signature of Seller)  
 \_\_\_\_\_ Date: \_\_\_\_\_  
 (Signature of Seller)

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# **APPENDIX “D”**

Court File No. CV-17-11740-00CL

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

*Ontario Business Corporations Act, R.S.O., Chapter B-16*

THE HONOURABLE	)	MONDAY, THE 30TH
JUSTICE	)	DAY OF OCTOBER, 2017
<i>HAINES</i>	)	

B E T W E E N:

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**APPROVAL AND VESTING ORDER**

THIS MOTION, made by Albert Gelman Inc. in its capacity as the Court-appointed liquidator (the "Liquidator") of the undertaking, property and assets of 2497486 Ontario Ltd. (the "Company") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale, as amended, (the "Sale Agreement") between the Liquidator and Modern City Real Estate Investment Trust Company Ltd. (the "Purchaser") dated August 31, 2017 and appended to the Confidential First Report of the Liquidator dated October 18, 2017 (the "Confidential First Report"), and vesting in the Purchaser the Company's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the First Report of the Liquidator dated October 18, 2017 (the "First Report"), the Confidential First Report, and on hearing the submissions of counsel for the Liquidator, and counsel for the Applicant and the individual Respondents, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kelly Barrett sworn October 19, 2017, filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Liquidator is hereby authorized and approved, with such minor amendments as the Liquidator may deem necessary. The Liquidator 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.
2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Liquidator's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Liquidator's Certificate"), all of the Company's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto 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 Conway dated June 20, 2017; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Toronto of an Application for Vesting Order in the form prescribed by

the *Land Titles Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. THIS COURT ORDERS that the Liquidator is authorized and directed to pay to Equitable Bank, from the proceeds of the Transaction, amounts sufficient to obtain a discharge of Equitable Bank's Charge registered against the Real Property in the usual course, together with all usual and ordinary disbursements to third parties in order to complete the Transaction.

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 Liquidator'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 Liquidator to file with the Court a copy of the Liquidator'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 Company and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Company;

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 Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent

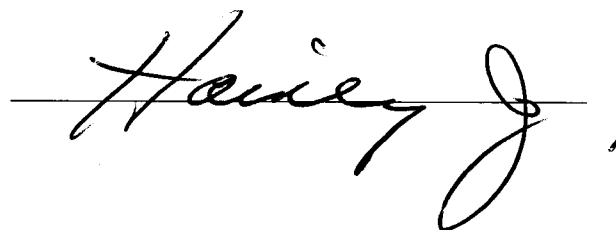
preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. THIS COURT ORDERS AND DECLARES that the Confidential First Report, and all appendices thereto, shall be sealed and shall remain sealed until the completion of the Transaction, or further order of this Court.

9. THIS COURT ORDERS that the fees and disbursements of the Liquidator and its counsel, as set out in the Affidavit of Tom McElroy sworn on October 18, 2014 and the Affidavit of Dov Tal sworn on October 18, 2014, appearing as Appendices "F" and "G", respectively, in the First Report, be and are hereby approved.

10. THIS COURT ORDERS that the First Report and the Confidential First Report of the Liquidator, and the actions and activities of the Liquidator as described therein, be and are hereby approved.

11. THIS COURT ORDERS that the Liquidator's Interim Statement of Receipts and Disbursements as at October 17, 2017, appearing as Appendix "E" in the First Report, be and is hereby approved.



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

OCT 30 2017

PER / PAR:



**Schedule A – Form of Liquidator’s Certificate**

Court File No. CV-17-11740-00CL

**ONTARIO****SUPERIOR COURT OF JUSTICE****COMMERCIAL LIST***Ontario Business Corporations Act, R.S.O., Chapter B-16*

B E T W E E N:

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**LIQUIDATOR’S CERTIFICATE****RECITALS**

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "Court") dated June 20, 2107, Albert Gelman Inc. was appointed as the liquidator (the "Liquidator") of the undertaking, property and assets of 2497486 Ontario Ltd. (the "Company").

B. Pursuant to an Order of the Court dated October 30, 2017, the Court approved the agreement of purchase and sale made as of August 31, 2017, as amended (the "Sale Agreement") between the Liquidator and Modern City Real Estate Investment Trust Company Ltd. (the "Purchaser") and provided for the vesting in the Purchaser of the Company’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 Liquidator 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 Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Liquidator.

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

THE LIQUIDATOR CERTIFIES the following:

1. The Purchaser has paid and the Liquidator 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 Liquidator and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Liquidator.
4. This Certificate was delivered by the Liquidator at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**Albert Gelman Inc., in its capacity as  
Liquidator of the undertaking, property and  
assets of 2497486 Ontario Ltd., and not in its  
personal capacity**

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

Name:

Title:

**Schedule B – Purchased Assets**

The real property described as:

PIN: 21292 - 0416 LT  
Description: PT LT 5-6 BLK F PL 622 NORTH WEST ANNEX AS IN WD85145;  
CITY OF TORONTO  
Address: 1028 BLOOR STREET WEST, TORONTO

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

1. Charge registered against title to the Real Property in favour of Equitable Bank on December 30, 2015 in the amount of \$900,000 as Instrument No. AT4107054
2. Notice of Assignment of Rents – General registered against title to the Real Property in favour of Equitable Bank on December 30, 2015 as Instrument No. AT4107055
3. Appointment Order registered against title to the Real Property on July 17, 2017 as Instrument No. AT4628906

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants  
related to the Real Property (unaffected by the Vesting Order)**

NONE

**ABBAS MOHAMMAD**

Applicant

-and-

**STEPHEN CELESTIAL, MUSTAFA ISMAEL AND 2497486  
ONTARIO LTD.**  
Respondents

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT  
TORONTO**

**APPROVAL AND VESTING ORDER**

**KRONIS, ROTSZTAIN,  
MARGLES, CAPPEL LLP**  
Barristers and Solicitors  
25 Sheppard Avenue West, Suite 1100  
Toronto, Ontario M2N 6S6

Philip Cho LSUC #45615U  
Tel: (416) 225-8750  
Fax: (416) 225-6751

Lawyers for Albert Gelman Inc., in its  
capacity as Court-appointed Liquidator of  
2497486 Ontario Ltd.

# **APPENDIX “E”**

Court File No.: CV-17-11740-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and**  
**2497486 ONTARIO LTD.**

Respondents

**FIRST REPORT OF ALBERT GELMAN INC.**  
**in its capacity as court-appointed liquidator**

(Dated October 18, 2017)

**I. INTRODUCTION**

1. This first report ("**First Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as liquidator (the "**Liquidator**") appointed pursuant to the Order of the Honourable Justice Conway of the Ontario Superior Court of Justice, Commercial List, dated June 20, 2017 (the "**Appointment Order**"), without security, over all of the assets, undertakings and properties (the "**Property**") of 2497486 Ontario Inc. ("**2497486**" or the "**Company**"). The application was commenced by Abbas Mohammad. A copy of the Appointment Order along with the endorsement of Justice Conway dated June 20, 2017 is attached hereto as **Appendix "A"**.

2. Prior to the date of the Appointment Order the Liquidator (in its capacity as Proposed Liquidator at that time) prepared a report in respect of these proceedings (the "**Pre-Filing Report**"). The Pre-Filing Report contained, among other things, details

regarding the principal asset of the Company being the real property municipally known as 1028 Bloor Street West, Toronto (the "**Real Property**") as well as details regarding the proposed sales process (the "**Sales Process**"). A copy of the Pre-Filing Report (without appendices) is attached hereto as **Appendix "B"**.

3. 2497486 is a corporation incorporated under the laws of the province of Ontario.

4. The common shares of 2497486 are owned by Abbas Mohammad (50%), Stephen Celestial (25%) and Mustafa Ismael (25%) (collectively, the "**Shareholders**").

5. Based on information set out in a corporation profile report obtained by the Liquidator dated June 13, 2017, the Shareholders are also the directors of 2497486.

6. The Liquidator understands that the Shareholders are divided with Abbas Mohammad on one side, and Stephen Celestial and Mustafa Ismael on the other, resulting in a deadlock situation. The appointment of the Liquidator was on consent of both the Applicant and the Respondents.

7. As was noted above, the principal asset of 2497486 is the Real Property which it manages. The Real Property consists of a three story building with a commercial unit on the first floor and separate residential units on each of the second and third floors. The commercial unit and the third floor residential unit are leased. The second floor residential unit is vacant.

## **II. PURPOSE OF THIS REPORT**

8. The purpose of the First Report is to seek an order:

- a. approving this First Report as well as the actions and activities of the Liquidator described herein, including the Liquidator's interim statement of receipts and disbursements as of October 17, 2017 (the "**Interim SRD**");
- b. approving and authorizing the Liquidator to enter into and carry out the terms of the sale transaction (the "**Transaction**") contemplated by a binding Agreement of Purchase and Sale executed by the Liquidator on September

- 2, 2017, including an Amendment to Agreement of Purchase and Sale executed on September 12, 2017 (collectively, the “**Purchase Agreement**”) between the Liquidator and the Purchaser (defined in the Confidential First Report) and vesting in the Purchaser, the Company’s right, title and interest in the Real Property;
- c. approving the Liquidator’s proposed Claims Solicitation Process (defined below);
  - d. approving the Confidential First Report (defined below);
  - e. sealing the Confidential First Report until the Transaction has been completed;
  - f. approving the fees and disbursements of the Liquidator to October 17, 2017;
  - g. approving the fees and disbursements of the Liquidator’s counsel, Kronis, Rotsztain, Margles, Cappel LLP to October 17, 2017; and,
  - h. providing for such further and other relief as this Honourable Court may deem just.

### III. SCOPE AND TERMS OF REFERENCE

9. In preparing this First Report, the Liquidator has obtained and relied upon certain unaudited financial information of 2497486, 2497486’s books and records, and discussions with both counsel for the Applicant, Mr. David Fogel, and counsel for the Respondents (excluding the Company), Mr. Ryan Hanna, as well as with two of the shareholders of 2497486, Mr. Stephen Celestial and Mr. Mustafa Ismael directly, and with 2497486’s accountant, Mr. Errol Chapman.

10. While the Liquidator has reviewed the various documents provided, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles (“**GAAP**”)

or International Financial Reporting Standards (“IFRS”). Accordingly, the Liquidator expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

11. This report has been prepared for the use of this Court to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Liquidator will 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.

12. Unless otherwise noted, all monetary amounts referenced herein are expressed in Canadian dollars.

#### **IV. ACTIONS AND ACTIVITIES OF THE LIQUIDATOR**

13. The actions and activities of the Liquidator since the date of the Appointment Order, and as reflected in the Interim SRD, are, among other things, as follows:

- a. Undertook the Sales Process (defined below) which is described in more detail below;
- b. Changed the locks to the second floor residential unit which is vacant;
- c. Contacted the Canadian Imperial Bank of Commerce (“CIBC”) to notify of our appointment and request the account be converted to deposit only;
- d. Contacted the Equitable Bank, the mortgagee of the Real Property, to notify of our appointment and make arrangement to continue to make the monthly mortgage payments;
- e. Retained Onyx-Fire Protection Services Inc. to conduct an inspection of the Real Property and to bring the Real Property up to code by installing the necessary equipment on site, such as smoke and carbon monoxide detectors, fire extinguishers, etc.

- f. Obtained an appraisal of the Real Property prepared by Mpire Appraisers as of July 13, 2017 (the "**Appraisal**"). A copy of the Appraisal is enclosed with the Confidential First Report;
- g. Met with several roofing contractors to discuss the sagging back roof as there was severe pooling of water. Further, the Equitable Bank required remediation of the roof as part of the mortgage before December 2018 and, as a result, at the time the mortgage was obtained by the Company, Equitable Bank withheld approximately \$75,000 which was to be used exclusively for the purposes of fixing the sagging roof (the "**Holdback**"). The Liquidator decided not to proceed with any repairs to the roof as the Purchaser purchased the property on an "as is, where is" basis. The payout statement received by the Liquidator from Equitable Bank dated October 16, 2017 indicates that the Holdback will be deducted from the payout amount;
- h. Met with a representative of AECO Group, a certified asbestos abatement company, to confirm the existence of, and obtain a quote for the removal of, asbestos pipe wrapping and asbestos ceiling tiles in the basement of the Real Property. The Liquidator obtained confirmation from AECO Group that, unless disturbed, the asbestos was not a health risk and as such it decided not to proceed with the abatement as it would require vacancy of the Real Property for a period of time. Furthermore, the Purchaser did not require abatement of the asbestos as a condition of its purchase;
- i. Registered a copy of the Appointment Order on title to the Real Property in accordance with paragraph 4(n) of the Appointment Order;
- j. Contacted the Company's insurance broker to be added to the Company's existing insurance policy with Coachman Insurance Company (policy no. C84686951-7) in order to continue with the Company's insurance policies;
- k. Redirected the Company's mail to the offices of the Liquidator;

- l. Inspected the premises upon taking possession and, at that time, took pictures and videos of the premises;
- m. Engaged a property manager to attend at the Real Property twice per week to address maintenance and other property management tasks;
- n. Met with Mustafa Ismael at the Real Property to obtain a tour of the Real Property and discuss matters relating the repairs and maintenance of the Real Property;
- o. Contacted the Company's external accountant, Errol Chapman of Errol Chapman Professional Corporation ("ECPC"), to obtain copies of the Company's financial statements and tax filings for the year ended December 31, 2016 and instructed the accountant to proceed with corporate tax and HST filings for the period ended June 20, 2017;
- p. Obtained copies of the company's books and records including the commercial lease, residential lease, accountings records, etc.;
- q. In accordance with subsection 210(4) of the *Business Corporations Act* (Ontario) (the "Act") posted a notice of the appointment of the Liquidator in volume 150 issue 28 of the Ontario Gazette which was published on July 15, 2017. Attached hereto as **Appendix "C"** is a copy of the notice; and,
- r. Notified the commercial tenant and residential tenants of the appointment of the Liquidator, arranged for collection of monthly rent from all tenants, and communicated with the tenants to deal with garbage removal, pest control, and general maintenance of the Real Property.

## V. SALE PROCESS

14. In its Pre-Filing Report the Liquidator outlined its proposed Sales Process. In accordance with the various provisions of the Appointment Order and, specifically, paragraph 4.A. the Liquidator undertook the following activities to market and sell the Real Property:

- a. Obtained listing proposals from two separate real estate agents licensed to sell mixed used commercial/residential real estate in Toronto;
  - b. Entered into a listing agreement with Michael Switzer of Forest Hill Real Estate Inc. (the “**Realtor**”) to act as agent to the Liquidator to sell the Real Property for the reasons set out in the Liquidator’s Confidential Report;
  - c. In consultation with the Realtor, determined that the Liquidator should not try and find a tenant for the second floor unit, as it would be best for the ultimate purchaser to make this decision. The third floor residential lease agreement as well as the first floor commercial lease agreement both extend beyond the date of this First Report and, therefore, the Liquidator was not tasked with either finding new tenants for these units or renewing the existing lease agreements during its appointment; and,
  - d. Instructed the Realtor to list the property on MLS which it did on or around August 9, 2017. The listing price of the Real Property was \$1,998,000.
15. During the Sales Process, the Realtor received numerous enquiries from prospective purchasers and fifteen (15) prospective purchaser groups toured the Real Property.
16. During the Sales Process the Liquidator received four (4) offers from prospective purchasers. Details regarding the offers received and the negotiations undertaken by the Realtor and the prospective purchasers are contained in the Confidential First Report. As described in the Confidential First Report, the Liquidator ultimately entered into an agreement of purchase and sale with the one of the prospective purchasers, being the Purchaser.
17. The Liquidator is not aware of any non-arm’s length relation between the Purchaser and the Company or its shareholders, and believes the Purchaser and the Company are not related persons within the meaning of the Act.

18. The Transaction is conditional upon this Honourable Court approving the Transaction and vesting in the Purchaser all of 2497486's right, title and interest in and to the Real Property free and clear of any encumbrances.

19. On or around October 17, 2017 the Liquidator provided each of the Shareholders, through their respective legal representatives, with confirmation of the quantum of the purchase price contained in the Purchase Agreement. As of the date of this First Report, the Liquidator has not received a response from the Shareholders, or their respective counsel, in respect of the Liquidator's disclosure to them of the purchase price.

## **VI. RECOMMENDATION IN RELATION TO THE PURCHASE AGREEMENT**

20. The Liquidator recommends that this Honourable Court authorize and approve the Liquidator's completion of the Transaction contemplated by the Purchase Agreement and grant a vesting order in favour of the Purchaser for the following reasons:

- a. the process undertaken by the Liquidator to market and sell the Real Property as described above and in the Confidential First Report is consistent with:
  - i. the Sales Process outlined in the Pre-Filing Report; and,
  - ii. the provisions of the Appointment Order and, specifically, paragraph 4.A.
- b. as expanded upon in the Confidential First Report, in the Liquidator's opinion the Transaction represents the highest and best realization for the Real Property under the circumstances; and,
- c. it is the Liquidator's opinion that approval of the Purchase Agreement is fair and reasonable.

## **VII. OTHER ASSETS AND LIABILITIES OF THE COMPANY**

### Other Assets

Based on the financial statements prepared by ECPC for the fiscal year ended December 31, 2016, the Company's other assets consisted of a nominal amount of cash and prepayments as well as the Holdback which is recorded as a current asset in the amount of \$75,659. As noted above, the Holdback will be netted against the amount owing to Equitable Bank when the Real Property is sold and the Equitable Bank mortgage is paid.

### Creditors secured against the Real Property

21. The Liquidator obtained a parcel register from Land Registry Office #66 for the Land Titles Division in respect of the Real Property dated October 4, 2017 (the "**Parcel Register**") which indicates, among other things, the following:

- a. 2497486 is the registered owner in fee simple of the Real Property;
- b. there is a charge registered against title to the Real Property in favour of Equitable Bank on December 30, 2015 in the amount of \$900,000 as Instrument No. AT4107054. Pursuant to the payout statement provided by Equitable Bank dated October 16, 2017, the balance to be paid to Equitable Bank at the time the Transaction closes is approximately \$817,000, which is net of the Holdback and includes a penalty of \$29,766 for breaking the mortgage early;
- c. there is a Notice of Assignment of Rents – General registered against title to the Real Property in favour of Equitable Bank on December 30, 2015 as Instrument No. AT4107055; and,
- d. The Appointment Order was registered against title to the Real Property on July 17, 2017 as Instrument No. AT4628906.

22. The Liquidator has conducted a search on the City of Toronto website Property Tax Lookup which indicated as at October 16, 2017 that the unpaid balance of

municipal property taxes was \$0 as at that date. Any balances owing to the City of Toronto for property tax will be paid in full on closing of the Transaction.

### Personal Property

23. The Liquidator conducted a search pursuant to the *Personal Property Security Act* (Ontario) (“PPSA”) on October 2, 2017 (the “PPSA Search”) which identified, as of October 2, 2017, Equitable Bank as having registered a financing statement on December 31, 2015. The financing statement indicates that Equitable Bank claims a security interest against 2497486 in respect of inventory, equipment, accounts and other in the amount of \$900,000 pursuant to a General Assignment of Rents and a General Security Agreement with respect to the Real Property. There were no other creditors with registered security interests identified on the PPSA Search. Attached hereto as **Appendix “D”** is a copy of the PPSA Search.

### Unsecured Creditors

24. Based on the Liquidator’s review of the Company’s financial information, the Liquidator believes that all unsecured creditors (excluding any direct or indirect claims of the shareholders of the Company) will be paid 100% of their claims against the Company from the proceeds of the Transaction.

## **VIII. CONFIDENTIAL REPORT OF THE LIQUIDATOR**

25. The Liquidator has prepared a confidential report to its First Report dated October 18, 2017 (the “**Confidential First Report**”) which includes, among other things, the Purchase Agreement as well as two appraisals of the Real Property.

26. The Liquidator is seeking an Order sealing the Confidential First Report from the general public until the closing of the Transaction or further Court order, as it contains sensitive commercial information about the value of the Real Property, the release of which could negatively affect future marketing efforts should the Transaction not close.

27. For the reasons outlined in the Confidential First Report, the Liquidator is of the opinion that the proposed sale of the Real Property represents the highest and best

realization and is fair and reasonable to all stakeholders. Closing the Transaction also reduces the carrying costs and risks associated with the Real Property as outlined herein.

#### **IX. PROPOSED CLAIMS SOLICITATION PROCESS**

28. The Liquidator has developed the process set out below in order to identify any and all arm's length creditors with claims against 2497486 which arose prior to the date of the completion of the Transaction (collectively, the "**Claims**" or singularly, each "**Claim**"). The proposed claims solicitation process is substantially consistent with the process prescribed by the Act but dispenses with the meeting of creditors as no creditor's Claim is expected to be compromised or prejudiced. The Liquidator believes that the proposed claims solicitation process is efficient, expedient, fair and reasonable in the circumstances.

29. The Claims shall not include those obligations owing to creditors which were incurred by the Liquidator during its administration of the estate. These creditors shall be paid in the ordinary course of business by the Liquidator from the assets of the estate and they shall not be required to file a proof of claim with the Liquidator.

30. The process to identify and quantify the Claims of non-arm's length creditors, namely the Shareholders and companies controlled directly or indirectly by the Shareholders, shall be determined and reported to this Honourable Court at a later date.

31. The proposed process to be undertaken by the Liquidator upon the completion of the Transaction to identify the arm's length Claims is as follows:

- a. Publish a notice in the National Post and the Toronto Star, describing the Claims Solicitation Process and advising all creditors of 2497486 that the deadline for submissions of proof of their Claim is January 19, 2018 at 5:00 p.m. Eastern Standard Time (the "**Claims Bar Date**");
- b. Send via ordinary mail, electronic mail or facsimile, which method shall be at the sole and unfettered discretion of the Liquidator, to all known creditors of

- 2497486 (as either identified by the Liquidator during these proceeding or as contained in the Company's books and records) a proof of claim form to be sworn by the creditor under oath as well as instructions regarding the proper completion of the proof of claim form (together the "**Proof of Claim Document Package**");
- c. Cause the Proof of Claim Document Package to be posted on the Liquidator's website from forthwith following completion of the Transaction until one business day after the Claims Bar Date.
  - d. The Liquidator will review all proofs of claim delivered to the Liquidator prior to the Claims Bar Date and shall accept, revise or reject each Claim. If the Liquidator disputes a Claim in whole or in part, the Liquidator may:
    - i. attempt to consensually resolve the quantum of the disputed Claim with the respective creditor; or,
    - ii. if the quantum of the disputed Claim cannot be resolved consensually, send a Notice of Revision or Disallowance to the creditor with the disputed Claim by no later than twenty-one (21) days after the Claims Bar Date;
  - e. Any creditor who receives a Notice of Revision or Disallowance and who objects to same shall deliver to the Liquidator a Notice of Dispute within fifteen (15) days of the issuance of the Notice of Revision or Disallowance. If a creditor receives a Notice of Revision or Disallowance and does not file a Notice of Dispute by the deadline noted above the value of such creditors Claim shall be deemed to be as set out in the Notice of Revision or Disallowance;
  - f. Any creditor who delivers a Notice of Dispute to the Liquidator by the above noted deadline shall, not less than fifteen (15) days after the service of the Notice of Dispute for determination of the Claim in dispute, unless otherwise agreed by the Liquidator in writing, serve on the Liquidator, and file in the

court, a Notice of Motion returnable on a date to be fixed by the court, but in any event, no later than thirty (30) days from the date of the issuance of the Notice of Revision or Disallowance, failing which the value of such creditor's Claim shall be deemed to be set out in the applicable Notice of Revision or Disallowance;

- g. Any Claim that is not received by the Claims Bar Date will be forever barred and extinguished;
- h. All Claims received and accepted by the Liquidator prior to the Claims Bar Date shall be considered "Accepted Claims". Accepted Claims shall be paid by the Liquidator from the assets of the estate of the Company after the expiry of the Claims Bar Date; and,
- i. Claims denoted in foreign currency are to be converted to Canadian Dollars as at November 23, 2017 (the anticipated closing date of the Transaction) using the Bank of Canada spot rate.

(collectively, the "**Claims Solicitation Process**")

32. The Liquidator is requesting that this Honourable Court approve the proposed Claims Solicitation Process.

33. Subsequent to the completion of the proposed Claims Solicitation Process, if approved by this Honourable Court, the Liquidator will report back to the Court on the outcome, including details regarding the accepted, revised and rejected Claims received by the Liquidator.

#### **X. LIQUIDATOR'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS AS AT OCTOBER 17, 2017 ("INTERIM R&D")**

34. Attached hereto at **Appendix "E"** is the Liquidator's Interim R&D as at October 17, 2017.

35. As set out in the R&D, Abbas Mohammad advanced \$50,000 to the Liquidator prior to the date of the Appointment Order in order to fund interim disbursements of the Liquidator. Furthermore, Mr. Abbas Mohammad has provided the Liquidator with a guarantee of its fees and disbursements in these proceedings up to a maximum amount of \$50,000 (the "**Guarantee**").

#### **XI. ACCOUNTS OF THE LIQUIDATOR AND ITS COUNSEL**

36. Attached hereto as **Appendix "F"** is the Affidavit of Tom McElroy regarding the Liquidator's fees to October 17, 2017 accompanied by the supporting time dockets (the "**Liquidator's Fees**").

37. Attached hereto as **Appendix "G"** is the Affidavit of Dov Tal regarding the fees and disbursements of Kronis, Rotsztain, Margles, Cappel LLP ("**KRMC**") to October 17, 2017 accompanied by the supporting time dockets.

38. The Liquidator believes that its fees and disbursements, as well as the fees and disbursements of its counsel, KRMC, are fair and reasonable.

#### **XII. LIQUIDATOR'S REQUEST FOR APPROVAL**

39. The Liquidator respectfully requests an Order of this Honourable Court:

- a. approving this First Report and the Confidential First Report of the Liquidator, as well as the actions and activities of the Liquidator described herein, including the Interim R&D;
- b. approving and authorizing the Liquidator to carry out the terms of the Transaction and Purchase Agreement;
- c. vesting in the Purchaser, all right, title and interest in and to the Real Property;
- d. approving and authorizing the Liquidator to implement the Claims Solicitation Process;

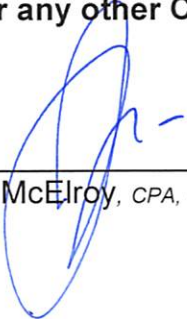
- e. sealing the Confidential First Report until the Transaction has been completed and the funds are received by the Liquidator;
- f. approving the fees and disbursements of the Liquidator to October 17, 2017;
- g. approving the fees and disbursements of the Liquidator's counsel, Kronis, Rotsztain, Margles, Cappel LLP, to October 17, 2017; and,
- h. providing for such further and other relief as this Honourable Court may deem just.

\* \* \*

All of which is respectfully submitted this 18th day of October, 2017.

**ALBERT GELMAN INC., solely in its  
capacity as the Court-Appointed Liquidator  
of 2497486 Ontario Ltd. and not in its  
Personal or any other Capacity**

Per:

  
\_\_\_\_\_  
Tom McElroy, CPA, CA, CBV, CIRP, LIT

# **APPENDIX “F”**

Court File No.: CV-17-11740-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and**  
**2497486 ONTARIO LTD.**

Respondents

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

(Dated October 18, 2017)

**I. INTRODUCTION**

1. This is the Confidential First Report to Court of Albert Gelman Inc. ("**AGI**") acting in its capacity as Court-appointed Liquidator (the "**Liquidator**") of 2497486 Ontario Inc. ("**2497486**" or the "**Company**").

**II. PURPOSE**

2. This Confidential First Report was prepared by the Liquidator to provide additional information and documents, not otherwise included in the Liquidator's first report to the Court dated October 18, 2017 (the "**First Report**"), in respect of the Transaction (as defined in the First Report). The Liquidator believes that the information contained herein is commercially sensitive in nature, the release of which could

negatively affect future marketing efforts should the Transaction not close and, therefore, this information was not included in the First Report

3. Any terms not otherwise defined in this report shall have the meanings ascribed to them in the First Report.

4. Further to the reasons stated above, the purpose of this Confidential First Report is to provide the Court with the following:

- a) the independent appraisal of the Real Property prepared by Mpire Real Estate and Consultants Limited as of July 13, 2017 dated July 20, 2017 (the "**Appraisal**"). The Appraisal is attached hereto as **Appendix "A"**.
- b) details regarding the offers received by the Liquidator for the purchase the Real Property, which offers are summarized at **Appendix "B"**;
- c) details of the negotiations that took place between the Purchaser and the Realtor (defined below) with respect to the Transaction;
- d) the Purchase Agreement (defined below), attached as **Appendix "C"**;
- e) the Liquidator's recommendation in respect of the Purchase Agreement.

### III. OFFERS RECEIVED

5. As noted in the First Report, the Real Property was listed on the MLS on or around August 9, 2017, by the realtor retained by the Liquidator, Mr. Michael Switzer of Forest Hill Real Estate Inc. (the "**Realtor**"). As further noted in the First Report, the listing price was \$1,998,000 which was determined based on the Appraisal as well as the Realtors' opinion about current market conditions.

6. During the Sales Process the Liquidator received offers from four (4) prospective purchasers. As noted above, a summary of these offers is attached hereto as Appendix "B". Each of the offers is described in further detail below.

Joseph Stefan Angellotti and Joseph Nicolas Angellotti, In Trust

7. The Liquidator received this offer on August 14, 2017. This offer contemplated a purchase price of \$1,998,000 with a deposit of \$50,000 (approximately 2.5% of the offer amount) and a closing date of November 27, 2017. This offer was conditional on, among other things, granting the prospective purchaser an exclusive period of twenty (20) business days (approximately one calendar month) to conduct its due diligence.

8. The Liquidator signed back this offer on August 15, 2017 increasing the deposit to \$100,000, modifying the due diligence period to 5 business days and requesting a closing date in September 2017.

9. This prospective purchaser did not sign back the offer.

#### Christopher Hans Bauer, In Trust

10. The Liquidator received this offer on August 16, 2017. This offer contemplated a purchase price of \$1,800,000 with a deposit of \$100,000 (approximately 5.5% of the offer amount) and a closing date of October 2, 2017. This offer was conditional on, among other things, granting the prospective purchaser an exclusive period of ten (10) business days to conduct its due diligence.

11. The offer amount of \$1,800,000 was \$198,000 (approximately 10%) below the listing price.

12. The Liquidator signed back this offer on August 19, 2017 at \$1,998,000 and it received a further sign back of \$1,800,000 from the prospective purchaser, which was the prospective purchaser's original offer.

13. The Liquidator did not sign back this offer at that time given that the offer amount was approximately 10% below the listing price.

#### Elia Mazzawi, In Trust

14. The Liquidator received this offer on August 31, 2017. This offer contemplated a purchase price of \$1,910,000 with a deposit of \$200,000 (approximately 10.5% of the offer amount) and a closing date of October 18, 2017. This offer was conditional on,

among other things, granting the prospective purchaser an exclusive period of twelve (12) calendar days to conduct its due diligence.

15. The Liquidator received a revised offer from this prospective purchaser on September 1, 2017 wherein the prospective purchaser increased the offer amount to \$1,950,000 as a result of the verbal negotiations between the prospective purchaser and the Realtor, on behalf of the Liquidator. The Liquidator signed back this offer on September 2, 2017 thereby granting the prospective purchaser with six (6) business days to complete its due diligence.

16. On September 12, 2017, the due diligence period was completed and all of the prospective purchasers conditions to this offer were waived resulting in a firm agreement. This agreement is discussed in further detail below.

#### Edward James King and Nancy Ngo, In Trust

17. The Liquidator received this offer on September 1, 2017. This offer contemplated a purchase price of \$1,960,000 with a deposit of \$100,000 (approximately 5% of the offer amount) and a closing date of November 15, 2017. This offer was conditional on, among other things, granting the prospective purchaser an exclusive period of fifteen (15) business days to conduct its due diligence as well as the prospective purchaser being able to obtain the necessary financing in order to purchase the Real Property.

18. Given the uncertainty associated with the conditions attached to this offer, as well as the fact that the Liquidator was close to finalizing an agreement with the Purchaser (defined below), the Liquidator did not pursue this offer further.

#### **IV. ACCEPTANCE OF OFFER**

19. The Liquidator ultimately accepted the revised offer it received from Elia Mazzawi, In Trust (the "**Purchaser**") on September 1, 2017 (the "**Mazzawi Offer**") and, on September 12, 2017 the agreement of purchase and sale with the Purchaser including an Amendment to Agreement of Purchase and Sale executed on September 12, 2017 (collectively, the "**Purchase Agreement**") became a binding agreement. The

Purchase Agreement is conditional upon the Liquidator obtaining an order approving the Transaction and vesting in the Purchaser the Real Property free and clear of any and all encumbrances in the form included with the Liquidator's motion record (the "**Approval and Vesting Order**").

20. Upon acceptance of the Mazzawi Offer the Realtor received the deposit of \$200,000 from the Purchaser which is currently being held in the Realtor's trust account.

21. The Mazzawi Offer is conditional only upon this Honourable Court granting the Approval and Vesting Order.

22. On October 3, 2017, the Purchaser's lawyer advised the Liquidator's lawyers that title is to be vested in "Modern City Real Estate Investment Trust Company Ltd."

23. In the Liquidator's opinion, the offer from the Purchaser represents the highest and best net realizable value for the Real Property in the circumstances for the reasons noted later in this Confidential First Report.

## **V. APPRAISALS**

24. The Liquidator obtained an independent appraisal of the Real Property as noted above.

### Purchase Price vs. Appraised Value

25. The current market value of the Real Property pursuant to the Appraisal was \$1,990,000. As noted above, the selling price of the Real Property pursuant to the Purchase Agreement is \$1,950,000. The Liquidator is of the opinion that the selling price of the Real Property is not materially different from the value set out in the Appraisal.

### York Simcoe Appraisal

26. Prior to the appointment of the Liquidator an appraisal of the Real Property was commissioned by FIJ Law LLP, counsel for the Respondents (excluding 2497486). This appraisal was provided to the Liquidator as well as each of the Shareholders.

27. The appraisal commissioned by FIJ Law LLP was prepared by York Simcoe Appraisal Corporation as of May 23, 2017 and was dated May 25, 2017 (the "**York Simcoe Appraisal**"). Pursuant to the York Simcoe Appraisal, as of May 23, 2017 the current market value of the Real Property was \$1,900,000. A copy of the York Simcoe Appraisal is attached hereto as **Appendix "D"**.

28. The selling price of the Real Property is \$50,000 higher than the market value of the Real Property as indicated in the York Simcoe Appraisal;

## **VI LIQUIDATOR'S OPINION AND RECOMMENDATION**

29. In the Liquidator's opinion, the selling price of \$1,950,000 represents the highest and best net realizable value for the Real Property.

30. The Liquidator believes that its acceptance of the Purchase Agreement is fair and reasonable for the following reasons:

- a) The quantum of the selling price is reasonable given the appraised values of the Real Property;
- b) The Real Property was exposed to the market for a sufficient period of time and, therefore, the selling price represents fair market value; and,
- c) Subject to obtaining Court Approval of the Transaction, the Liquidator anticipates closing the Purchase Agreement on November 23, 2017, which reduces the costs, inherent risks and exposures associated with maintaining possession and control of the Real Property.

31. Based on the foregoing, the Liquidator has accepted the Purchaser Agreement, conditional on the Liquidator obtaining an Approval and Vesting Order substantially in the form included with this motion record.

All of which is respectfully submitted this 18th day of October, 2017.

**ALBERT GELMAN INC., solely in its  
capacity as Court-Appointed Liquidator of 2497486 Ontario Ltd.  
and not in its personal or any other capacity**

Per:

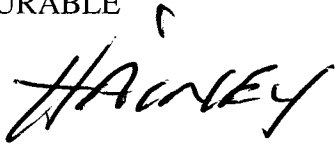
  
\_\_\_\_\_  
Tom McElroy, CPA, CA, CBV, CIRP, LIT

# **APPENDIX “G”**

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

THE HONOURABLE	)	MONDAY, THE 30 <sup>TH</sup>
	)	
JUSTICE	)	DAY OF OCTOBER, 2017



**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**ORDER  
(Claims Solicitation Procedure and Bar Order)**

THIS MOTION, made by Albert Gelman Inc. in its capacity as court-appointed liquidator (the “**Liquidator**”) without security, of all of the assets, undertakings and properties of 2497486 Ontario Ltd.. (the “**Company**”) for, among other things, an order approving and establishing a procedure for the identification, resolution and barring of certain claims against the Company was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the First Report of the Liquidator dated October 18, 2017, the Confidential First Report of the Liquidator dated October 18, 2017, and on hearing the submissions of the lawyers for the Liquidator, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kelly Barrett sworn October 19, 2017, filed:

**DEFINITIONS**

1. THIS COURT ORDERS that the following terms in this Order shall have the following meanings ascribed to them:

- (a) **“Appointment Order”** means the Order of Madam Justice Conway dated June 20, 2017 in the OBCA Proceeding;
- (b) **“Business Day”** means a day which is not: (a) a Saturday or a Sunday; or (b) a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable in the Province of Ontario;
- (c) **“Claim”** means (i) any right or claim of any Person that may be asserted or made in whole or in part against the Company, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest that may accrue thereon in which there is an obligation to pay, and costs which such Person would be entitled to receive pursuant to the terms of any contract with such Person at law or in equity, any right of ownership of or title to property or assets or to a trust or deemed trust (statutory or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which exist prior to the Completion Date, together with any other rights or claims, whether or not asserted, made after the Completion Date, in any way, directly or indirectly related to any action taken or power exercised prior to the Completion Date; and (ii) any Tax Claim, and does not include an Excluded Claim;

- (d) **“Claims Bar Date”** means 5:00 p.m. (Eastern Standard Time) on January 19, 2018, or such later date as may be ordered by this Court;
- (e) **“Claims Procedure”** means the claims solicitation procedure and schedules set out herein, as may be amended from time to time;
- (f) **“Completion Date”** means the date on which the Liquidator delivers the Liquidator’s Certificate to the Purchaser, as those terms are defined in the Approval and Vesting Order dated October 30, 2017 and issued in the OBCA Proceeding;
- (g) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (h) **“Creditor”** means any Person having a Claim and, if the context requires, an assignee or transferee of a Claim or a trustee, receiver, receiver-manager or other Person acting on behalf of such Person;
- (i) **“Designated Newspapers”** means the National Post (National Edition) and the Toronto Star;
- (j) **“Dollars”** or **“\$”** means lawful money of Canada unless otherwise indicated;
- (k) **“Excluded Claim”** means, subject to further order of this Court, (a) any claims of the Liquidator and its counsel; (b) any claims of the applicant, Abbas Mohammad and the respondents, Stephen Celestial and Mustafa Ismael, or claims of any corporation controlled by any one of them, against the Company; and (c) any claims for amounts due for goods or services actually supplied to the Company on or after the Completion Date; and,
- (l) **“Instruction Letter”** means the instruction letter to Creditors, in substantially the form attached hereto as **Schedule “A”**, regarding completion of a Proof of Claim;

- (m) **“Newspaper Notice”** means the notice of this Order to be published in the Designated Newspapers in accordance with paragraph 5 of this Order in substantially the form attached hereto as **Schedule “D”**;
- (n) **“Notice of Revision or Disallowance”** means the notice substantially in the form attached hereto as **Schedule “C”**;
- (o) **“Notice of Dispute”** means a notice given by a Creditor to the Liquidator advising the Liquidator of the Creditor’s objection to the Liquidator’s Notice of Revision or Disallowance;
- (p) **“OBCA”** means the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended;
- (q) **“OBCA Proceeding”** means the proceedings before the Court in respect of the application by the applicant commenced pursuant to the OBCA;
- (r) **“Order”** means any order of the Court in connection with the OBCA Proceeding;
- (s) **“Person”** means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other juridical entity howsoever designated or constituted;
- (t) **“Proof of Claim”** means the form to be completed and filed by a Creditor setting forth its proposed Claim, substantially in the form attached hereto as **Schedule “B”**;
- (u) **“Proof of Claim Document Package”** means a document package which shall include a copy of the Instruction Letter, a Proof of Claim, and such other materials as the Liquidator may consider appropriate or desirable;
- (v) **“Tax”** or **“Taxes”** means any and all amounts subject to a withholding or remitting obligation and any and all taxes, duties, fees and other governmental charges, duties, impositions and liabilities of any kind whatsoever whether or not assessed by the Taxing Authorities (including any Claims by any of the Taxing Authorities),

including all interest, penalties, fines, fees, other charges and additions with respect to such amount;

- (w) **“Taxing Authorities”** means Her Majesty the Queen, Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of each and every province or territory of Canada and any political subdivision thereof, and any Canadian or foreign governmental authority, and **“Taxing Authority”** means any one of the Taxing Authorities; and,
- (x) **“Tax Claim”** means any Claim against the Company for any Taxes in respect of any taxation year or period ending on or prior to the date of the Completion Date, for any Taxes in respect of or attributable to the portion of the taxation period commencing prior to the Completion Date, and up to and including the Completion Date.

#### **NOTICE OF CLAIMS**

2. THIS COURT ORDERS that the Liquidator is authorized and directed to send a copy of the Proof of Claim Document Package to each Creditor that it is aware of and the Canada Revenue Agency and any similar revenue or Taxing Authority in Ontario, by ordinary mail, e-mail or facsimile transmission, which method shall be at the sole and unfettered discretion of the Liquidator, as soon as is practicable after the Completion Date.

3. THIS COURT ORDERS that the Liquidator shall cause the Proof of Claim Document Package to be posted on the Liquidator’s website, as soon as is practicable after the Completion Date, until the expiry of the Claims Procedure.

4. THIS COURT ORDERS that the Liquidator shall dispatch by ordinary mail, courier or e-mail, as soon as practicable, following receipt of a request therefore, a copy of the Proof of Claim Document Package to any Person claiming to be a Creditor and requesting such material.

**PUBLICATION OF NEWSPAPER NOTICE**

5. THIS COURT ORDERS that as soon as practicable after the Completion Date, the Newspaper Notice shall be published by the Liquidator in the Designated Newspapers.

6. THIS COURT ORDER that the Newspaper Notice be and is hereby approved.

**NOTICE SUFFICIENT**

7. THIS COURT ORDERS that the publication of the Newspaper Notice and the mailing to the Creditors of the Proof of Claim Document Package in accordance with the requirements of this Order shall constitute good and sufficient service and delivery of notice of this Order and the Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert Claims and that no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Order.

**FILING OF PROOFS OF CLAIM**

8. THIS COURT ORDERS that, except as otherwise provided herein, each Creditor that asserts a Claim against the Company shall file a written Proof of Claim so as to be received by the Liquidator on or before the Claims Bar Date, by registered mail, personal delivery, courier, facsimile transmission or e-mail.

9. THIS COURT ORDERS that a Proof of Claim shall be deemed timely filed only if mailed or delivered by registered mail, personal delivery, courier, facsimile transmission or e-mail so as to be actually received by the Liquidator on or before the Claims Bar Date.

**CLAIMS BAR**

10. THIS COURT ORDERS that any Creditor that does not file a Proof of Claim in respect of a Claim in accordance with this Order on or before the Claims Bar Date, shall: (a) be forever barred, estopped and enjoined from asserting or enforcing any Claim (or filing a Proof of Claim with respect to such Claim) against the Company and such Claim shall be forever extinguished;

(b) not be entitled to participate in or receive any distribution in the OBCA Proceeding on account of any such Claim; and (c) shall not be entitled to notice of any further matters in the OBCA Proceeding.

#### **DETERMINATION OF CLAIMS**

11. THIS COURT ORDERS that the Liquidator shall review each Proof of Claim received by the Claims Bar Date, and shall either accept, revise or reject the amount claimed for purposes of distribution.

12. THIS COURT ORDERS that if the Liquidator disputes the amount of a Claim set forth in a Proof of Claim, the Liquidator may attempt to consensually resolve the amount of the Claim with the Creditor, and/or send a Notice of Revision or Disallowance to the Creditor by no later than 21 days after the Claims Bar Date.

13. THIS COURT ORDERS that if the Liquidator does not deliver a Notice of Revision or Disallowance in accordance with this Order, with respect to the value of a Claim, then, subject to further order of this Court, such a Proof of Claim shall be deemed to be accepted as final and binding.

14. THIS COURT ORDERS that any Creditor who receives a Notice of Revision or Disallowance and who objects to same, shall deliver to the Liquidator a Notice of Dispute within 15 days of the issuance of the Notice of Revision or Disallowance, or, if the Creditor does not deliver the Notice of Dispute within such time, the value of such Creditor's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance.

15. THIS COURT ORDERS that any Creditor who delivers a Notice of Dispute to the Liquidator in accordance with this Order, shall, unless otherwise agreed by the Liquidator in writing, by no later than 5:00 p.m. on the day that is 15 days after the service of the Notice of Dispute, serve, and file with this Court, a Notice of Motion seeking to appeal the Liquidator's determination, returnable on a date to be fixed by this Court, and in any event, no later than 30 days from the date of the service of the Notice of Dispute. If an appeal is not filed within such

period, then the Notice of Revision and Disallowance shall, subject to further order of this Court, be deemed to be final and binding.

16. THIS COURT ORDERS that Excluded Creditors shall not be required to participate in the Claims Procedure in respect of their Excluded Claims. The Monitor will not review or consider any Proof of Claim filed in respect of an Excluded Claim.

#### **GENERAL PROVISIONS**

17. THIS COURT ORDERS that the Liquidator is authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which Proofs of Claim and Notices of Revision or Disallowance are completed and executed, and may, where the Liquidator is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure as to completion and execution of Proofs of Claim or Notices of Revision or Disallowance.

18. THIS COURT ORDERS that any document to be sent to any Creditor or Person pursuant to this Claims Procedure may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission to the address last shown on the books and records of the Company or whatever specific formal address has been provided to the Liquidator either through counsel or directly. A Creditor or Person shall be deemed to have received any document sent pursuant to this Claims Procedure five (5) business days after such document is sent by ordinary mail or registered mail and one business day after such document is sent by e-mail, courier or facsimile transmission.

19. THIS COURT ORDERS that any notice or other communication to be given under this Order by a Creditor to the Liquidator shall be in writing in substantially the form, if any, provided for in this Order, and will be sufficiently given only if delivered by registered mail, courier, personal delivery, facsimile transmission, or e-mail addressed to:

**Albert Gelman Inc. in its capacity as court-appointed liquidator  
of 2497486 Ontario Ltd.**

100 Simcoe Street

Suite 125

Toronto, ON M5H 3G2

**Attention: Tom McElroy**

Phone: 416.504-1650 ext. 117

Fax: 416.504.1655

Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com).

20. THIS COURT ORDERS that the following Schedules form part of this Order:

- (a) **Schedule "A"** - Instruction Letter
- (b) **Schedule "B"** - Proof of Claim
- (c) **Schedule "C"** - Notice of Revision or Disallowance
- (d) **Schedule "D"** - Newspaper Notice

21. THIS COURT ORDERS that, notwithstanding the terms of this Order, the Liquidator may apply to this Court from time to time for such further order or orders as it considers necessary or desirable to amend, supplement or replace this Order.

**AID AND ASSISTANCE OF OTHER COURTS**

22. THIS COURT HEREBY REQUESTS the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

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

OCT 30 2017

PER / PAR:


**Schedule “A” – INSTRUCTION LETTER****A. Claims Procedure**

By Order of the Honourable Justice \_\_\_\_\_ dated October 30, 2017, (the “**Claims Solicitation Procedure and Bar Order**”), which is attached hereto, under the *Ontario Business Corporations Act* (the “*OBCA*”) the Liquidator has been authorized to conduct a claims solicitation procedure (“**Claims Procedure**”) in respect of all claims against 2497486 Ontario Ltd. (the “**Company**”).

The letter provides instructions for responding to or completing the Proof of Claim. Defined terms, which are not defined herein, shall have the meaning ascribed thereto in the Claims Solicitation Procedure and Bar Order.

The Claims Procedure is intended for any Person with any Claims of any kind or nature whatsoever, against the Company on or prior to [*date of completion of sale transaction*], unliquidated, contingent or otherwise.

If you have any questions regarding the Claims Procedure, please contact the Liquidator at the address provided below.

All notices and enquiries with respect to the Claims Procedure should be addressed to:

Albert Gelman Inc., Court Appointed Liquidator of 2497486 Ontario Ltd.  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2  
Attention: Tom McElroy  
Phone: (416) 504-1650 Ext. 117  
Fax: (416) 504-1655  
Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com)

**B. General Instructions for Completing the Proof of Claim**

The Proof of Claim must be completed by an individual, or an individual acting on behalf of a corporation. The individual acting for a corporation or other person must state the capacity in which he/she is acting, such as “Credit Manager”, “Treasurer”, “Authorized Agent”, etc. The individual completing the Proof of Claim must have knowledge of the circumstances connected with the Claim. All Proofs of Claim must be sworn and dated before a duly appointed Commissioner of Oaths or Notary public. The full legal name of the Creditor must be filled out in its entirety. Creditors who file a Proof of Claim by a division, or who file several Proofs of Claim by divisions, may have their Proof of Claim disallowed. Only one Proof of Claim may be

filed per legal entity notwithstanding that separate divisions or operating units of a Creditor may have separate Claims against the Company.

A Statement of Account containing full details of the Claim must be attached to the Proof of Claim. The Proof of Claim should include all amounts owing by the Company before [*date of completion of sale transaction*]. These Claims shall be reduced by the amount of any subsequent payment thereon, the application of any volume or other discounts in respect thereof and any other subsequent credits that are properly applicable against such Claims.

For Claims made in respect of debts owing as a result of advances or loans to, or investments made in the Company, submitted with the Proof of Claim must be proof of all advances made to, and all payments received from or on account of any of the Company. Including copies of all cheques, money orders, drafts, wire transfers, etc. advances and received, as well as copies of any promissory notes or other loan or investment documentation evidencing the debt owing.

If the Creditor holds security for the indebtedness, a statement of the value and nature of the security must accompany the Proof of Claim, as must a copy of the agreement granting security.

If the Creditor holds a contingent or unliquidated Claim, the details of any guarantee giving rise to such contingent or unliquidated Claim, or reasons for the Claim must be provided in addition to the basis upon which the Claim has been valued.

If the Claim or a portion thereof has been sold or assigned, the name of the party purchasing the Claim, the amount of the Claim sold or assigned, as well as supporting documentation, must be attached to the Proof of Claim submitted. The Proof of Claim can be completed by either the original Creditor or by the assignee, but not both. Creditors and assignee(s) must determine amongst themselves who will file the Proof of Claim.

### **C. For Creditors Submitting a Proof of Claim**

If you believe that you have a Claim against the Company you will have to file a Proof of Claim with the Liquidator. ***THE PROOF OF CLAIM MUST BE RECEIVED BY 5:00 P.M. (EASTERN STANDARD TIME) ON OR BEFORE JANUARY 19, 2018,*** unless the Court orders otherwise (the “**Claims Bar Date**”).

Additional Proof of Claim forms can be obtained by contacting the Liquidator at the telephone and fax numbers indicated above and providing particulars as to your name, address and facsimile number. Once the Liquidator has this information, you will receive, as soon as practicable, additional Proof of Claim Forms.

## SCHEDULE "B" - PROOF OF CLAIM

### Proof of Claim

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim form. Defined terms not defined within this Proof of Claim form shall have the meaning ascribed therein.

#### A. PARTICULARS OF THE CREDITOR:

- (1) Full Legal Name of Creditor (include trade name, if different):

.....  
 .....

(the "**Creditor**"). The full legal name should be the name of the Creditor of 2497486 Ontario Ltd. (the "**Company**"), notwithstanding whether an assignment of a Claim, or a portion thereof, has occurred prior to or following *[date of completion of sale transaction]*.

- (2) Full Mailing Address of Creditor: (The mailing address should be the mailing address of the Creditor and not any assignee)

.....  
 .....

- (3) Telephone Number of Creditor: .....

- (4) Facsimile Number of Creditor: .....

- (5) E-mail Address of Creditor: .....

- (6) Attention (Contact Person): .....

Has the claim set out herein been sold, transferred or assigned by the Creditor to another party?

Yes: [ ]      No: [ ]

**B. PARTICULARS OF THE ASSIGNEE(S) (IF APPLICABLE)**

*If the Claim set out herein has been sold, transferred or assigned, complete the required information set out below. If there is more than one assignee, please attach a separate sheet which contains all of the required information set out below for each assignee.*

(1) Full Legal Name of the Assignee:

.....  
.....

(2) Full Mailing Address of the Assignee:

.....  
.....

(3) Telephone Number of Creditor: .....

(4) Facsimile Number of Creditor: .....

(5) E-mail Address of Creditor: .....

(6) Attention (Contact Person): .....

**C. PROOF OF CLAIM**

**THE UNDERSIGNED HEREBY MAKES OATH AND SAYS AS FOLLOWS:**

(1) That I:

am a Creditor of the Company; or *(if applicable)*

am

.....

(state position or title)

of

.....

(Name of Creditor)

- (2) That I have knowledge of all of the circumstances connected with the Claim described and set out below:
- (3) The Claim seeks payment of \$..... [Insert \$ value of claim] CAD in the Company on account of principal ..... and ..... on account of interest [Provide particulars of interest claim and calculation of same]
- (4) The Creditor has received ..... [Insert \$ in Canadian Dollars regardless of whether amount received was from repayment of principal owing pursuant to the Claim or return on principal or interest from, or on an account of the Company in conjunction with the Claim]

*NOTE: Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot rate as of [date of completion of sale transaction].*

**D. PARTICULARS OF CLAIM**

Other than as already set out herein, the particulars of the undersigned's total Claim against the Company are attached on a separate sheet.

*Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s), copies of cheques, bank draft, money orders, wire transfers, etc., loan documents, promissory notes or other agreement(s) giving rise to the Claim and particulars of any Claim.*

**SWORN BEFORE ME** at the \_\_\_\_\_ )  
 \_\_\_\_\_, in the \_\_\_\_\_ )  
 Province of \_\_\_\_\_ )  
 this \_\_\_\_ day of \_\_\_\_\_, 2017 )

\_\_\_\_\_  
 A Commissioner , or Notary Public, etc.

\_\_\_\_\_  
*Name of Deponent:*

**D. FILING OF CLAIM**

This Proof of Claim form must be received by the Liquidator by no later than 5:00 p.m. (Eastern Standard time) on **January 19, 2018**, by either registered mail, personal delivery courier, facsimile transmission or email at the following address:

Albert Gelman Inc., Court Appointed Liquidator of 2497486 Ontario Ltd.  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2  
Attention: Tom McElroy  
Phone: (416) 504-1650 Ext. 117  
Fax: (416) 504-16555  
Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com)

**Failure to file your Proof of Claim and any required documentation as directed in relation to any Claim by 5:00 p.m. (Eastern Standard Time) on January 19, 2018 will result in your Claim being forever barred and extinguished and you will be prohibited from making or enforcing a Claim against the Company and shall not be entitled to further notice or distribution, if any, and shall not be entitled to participate as a Creditor in these proceedings.**

**SCHEDULE "C" - NOTICE OF REVISION OR DISALLOWANCE****Notice of Revision or Disallowance**

Name of Creditor: \_\_\_\_\_

Reference #: \_\_\_\_\_

Defined terms not defined within this Notice of Revision or Disallowance form have the meaning ascribed thereto in the Order of Justice \_\_\_\_\_ dated October 30, 2017 (the "**Claims Solicitation Procedure and Bar Order**"). Pursuant to paragraphs 11 through 15 of the Claims Solicitation Procedure and Bar Order, Albert Gelman Inc., in its capacity as Liquidator of 2497486 Ontario Ltd., hereby gives you notice that it has reviewed your Proof of Claim and has revised or rejected your Claim as follows:

A) Revision or Disallowance:

	<b>Proof of Claim as Submitted</b>	<b>The Revised Claim as Accepted</b>
<b>Claim arising prior to</b> <i>[date of completion of sale transaction]</i>		

B) Reason for Revision or Disallowance:

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**IF YOU DO NOT AGREE WITH THIS NOTICE OF REVISION OR DISALLOWANCE, PLEASE TAKE NOTICE OF THE FOLLOWING:**

1. You must deliver to the Liquidator a notice of your objection to the Notice of Revision or Disallowance ("Notice of Dispute") within 15 days of the issuance of the Notice of Revision or Disallowance;
2. If you do not serve the Notice of Dispute within such time, the value of your Claim shall be deemed to be as set out in the Notice of Revision or Disallowance.
3. Following the service of the Notice of Dispute, you must, unless otherwise agreed by the Liquidator in writing, by no later than 5:00 p.m. on the day that is 15 days after the service of the Notice of Dispute, serve, and file with the Court, a Notice of Motion seeking to appeal the Liquidator's determination, returnable on a date to be fixed by the

Court, and in any event, no later than 30 days from the date of the service of the Notice of Dispute.

4. If an appeal is not filed within such period, then the Notice of Revision and Disallowance shall, subject to further order of this Court, be deemed to be final and binding.

***IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIODS, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU FOR DISTRIBUTION PURPOSES.***

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**ALBERT GELMAN INC.,**  
in its capacity as Court Appointed Liquidator of  
2497486 Ontario Ltd. and not in its personal  
capacity  
Per:

---

TOM MCELROY  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2  
Phone: (416) 504-1650 Ext. 117  
Fax: (416) 504-16555  
Email: [tmcelory@albertgelman.com](mailto:tmcelory@albertgelman.com)

**SCHEDULE “D” – NEWSPAPER NOTICE****2497486 ONTARIO LTD.**

On June 20, 2017, Albert Gelman Inc. (“AGI”) was appointed, pursuant to an order made by the Ontario Superior Court of Justice (the “Court”), as Liquidator of 2497486 Ontario Ltd. (the “Company”).

By Order of the Court dated October 30, 2017 (the “Claims Solicitation Procedure and Bar Order”), a process was established in order for creditors to prove claims against the Company in existence as at *[date of completion of sale transaction]*. In accordance with the Claims Solicitation Procedure, the Liquidator is authorized and directed to send a copy of the Proof of Claim Document Package to each Creditor. Any Creditor who does not receive a Proof of Claim form may obtain this form on the Liquidator’s website, <insert link> or by contacting the Liquidator using the contact information set out below.

Creditors must complete and deliver the Proof of Claim form to the Liquidator by **no later than 5:00 p.m. (Eastern Standard Time) on January 19, 2018** or such later date as ordered by the Court (the “Claims Bar Date”).

**IF YOUR PROOF OF CLAIM IS NOT RECEIVED BY THE LIQUIDATOR BY THE CLAIMS BAR DATE, YOUR CLAIM AGAINST THE COMPANY WILL BE FOREVER BARRED AND EXTINGUISHED.**

Contact information of the Liquidator

Albert Gelman Inc., Court Appointed Liquidator of 2497486 Ontario Ltd.  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2  
Attention: Tom McElroy  
Phone: (416) 504-1650 Ext. 117  
Fax: (416) 504-16555  
Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com)

Dated at Toronto, this \_\_\_\_\_ day of \_\_\_\_\_, 2017

**ABBAS MOHAMMAD**

Applicant

-and-

**STEPHEN CELESTIAL, MUSTAFA ISMAEL AND 2497486  
ONTARIO LTD.**  
Respondents

Court File No. CV-17-11740-00CL

**ONTARIO**

**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT  
TORONTO**

**CLAIMS SOLICITATION PROCEDURE  
AND BAR ORDER**

**KRONIS, ROTSZTAIN,  
MARGLES, CAPPEL LLP**  
Barristers and Solicitors  
25 Sheppard Avenue West, Suite 1100  
Toronto, Ontario M2N 6S6

Philip Cho LSUC #45615U  
Tel: (416) 225-8750  
Fax: (416) 225-6751

Lawyers for Albert Gelman Inc., in its  
capacity as Court-appointed Liquidator of  
2497486 Ontario Ltd.

# **APPENDIX “H”**

**Schedule A – Form of Liquidator’s Certificate**

Court File No. CV-17-11740-00CL

**ONTARIO****SUPERIOR COURT OF JUSTICE****COMMERCIAL LIST*****Ontario Business Corporations Act, R.S.O., Chapter B-16***

BETWEEN:

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**LIQUIDATOR’S CERTIFICATE****RECITALS**

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "Court") dated June 20, 2107, Albert Gelman Inc. was appointed as the liquidator (the "Liquidator") of the undertaking, property and assets of 2497486 Ontario Ltd. (the "Company").

B. Pursuant to an Order of the Court dated October 30, 2017, the Court approved the agreement of purchase and sale made as of August 31, 2017, as amended (the "Sale Agreement") between the Liquidator and Modern City Real Estate Investment Trust Company Ltd. (the "Purchaser") and provided for the vesting in the Purchaser of the Company’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 Liquidator 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 Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Liquidator.

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

THE LIQUIDATOR CERTIFIES the following:

1. The Purchaser has paid and the Liquidator 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 Liquidator and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Liquidator.
4. This Certificate was delivered by the Liquidator at 6:00 pm [TIME] on November 24, 2017 [DATE].

**Albert Gelman Inc., in its capacity as  
Liquidator of the undertaking, property and  
assets of 2497486 Ontario Ltd., and not in its  
personal capacity**

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

Name: Tom McElroy

Title: licensed Insolvency Trustee

# **APPENDIX “I”**

**Properties**

*PIN* 21292 - 0416 LT  
*Description* PT LT 5-6 BLK F PL 622 NORTH WEST ANNEX AS IN WD85145; CITY OF TORONTO  
*Address* 1028 BLOOR STREET WEST  
TORONTO

**Document to be Discharged**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
AT4107054	2015 12 30	Charge/Mortgage

**Discharging Party(s)**

This discharge complies with the Planning Act. This discharge discharges the charge.

*Name* EQUITABLE BANK  
*Address for Service* 700-30 St. Clair Avenue West, Toronto, ON, M4V 3A1

I, Becky Leibold, A.S.O. Director, Mortgage Services & Carol Jones, A.S.O., Senior Manager, Mortgage Services, have the authority to bind the corporation.

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

The party giving this discharge is the original chargee and is the party entitled to give an effective discharge

**Document(s) to be Deleted**

<i>Registration No.</i>	<i>Date</i>	<i>Type of Instrument</i>
AT4107055	2015/12/30	Notice Of Assignment Of Rents-General

**Signed By**

Kinga R. Balog	1100-25 Sheppard Avenue West Toronto M2N 6S6	acting for Applicant(s)	Signed	2017 12 05
Tel 416-225-8750				
Fax 416-225-7214				

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

**Submitted By**

KRONIS ROTSZTAIN MARGLES CAPPEL LLP	1100-25 Sheppard Avenue West Toronto M2N 6S6	2017 12 05
Tel 416-225-8750		
Fax 416-225-7214		

**Fees/Taxes/Payment**

<i>Statutory Registration Fee</i>	\$63.65
<i>Total Paid</i>	\$63.65

**File Number**

*Discharging Party Client File Number :* EQUITABLE 229436

## RELEASE OF INTEREST


-----  
**Mortgagor: 2497486 Ontario Limited**  
**Property Address: 1028 Bloor Street West, Toronto ON**  
-----

**EQUITABLE BANK** hereby releases any interest it may have in any insurance policy on the above noted property, its mortgage having been paid off in full.

DATED at Toronto, this 29<sup>th</sup> of November, 2017

Sincerely,

**Equitable Bank**

  
Aida Cruz  
Mortgage Administrator

# **APPENDIX “J”**

## ECONOMY

## MEDIAN NET WORTH OF FAMILIES IN 2016 UP 14.7% FROM 2012

Statistics Canada says the median net worth of Canadian families was \$295,100 in 2016, up 14.7 per cent from 2012 the last time the survey was conducted. Housing was both the largest asset and the largest debt for Canadians. The total value of assets held by Canadians in 2016 was \$12 trillion, up from \$9.9 trillion in 2012. The median value of total assets owned by families amounted to \$440,200, up



from \$391,700 in 2012. Meanwhile, total debt reached \$1.76 trillion in 2016, up from \$1.41 trillion in 2012. The median value of total debt owed by families was \$80,600 in 2016, up from \$63,400 in 2012. The report also found that 29.6 per cent of Canadian families were debt-free in 2016. The share was highest among senior-led families with 58.0 per cent debt-free. *The Canadian Press*

## COMMENT

## Goodfood celebrates first full year



**BARRY CRITCHLEY**  
*Off the Record*

Three years back Jonathan Ferrari and Neil Cuggy — two Montrealers and former RBC bankers — launched the country's first meal-kit company, **Goodfood Market Corp.**

The idea was that customers would select the food they required for the week based on recipes supplied by the company and within a short period the food and the cooking instructions would arrive in a box.

The two worked away at the concept — which was also starting to develop in other parts of the world — refined the menu, attracted customers and new sources of capital including edo Capital, a private equity firm.

In June, it reached a major milestone when it went public via a transaction with a capital pool company and

raised \$21 million of equity.

One week back the company — whose other milestone is that it now employs 400 people at its Montreal facility — released its first full-year financial results with all measures, gross merchandise sales, subscribers and profit margins showing very healthy gains. This week it said that on Nov. 30 it had 45,000 subscribers, all in Eastern Canada, up by 45 per cent from Aug. 31.

"The meal kit industry is exploding," said Ferrari who was meeting investors this week in Toronto.

"People are interested in cooking and want to make great healthy meals at home. Goodfood is an easy way to do that," he said adding the company's "value proposition" is based on getting the same ingredients for about the same price, as they would cost from a major supermarket. A typical meal runs to about \$10. But about half the customers don't indicate a preference meaning they receive the "chef's selection."

An expansion to Western Canada is set for the first part of next year.

Goodfood has signed a seven-year lease on a 43,000-square-foot facility and has hired a management team that will run it "as an independent new division of the company (which means that it) can run more quickly and grow to the same quality standards we have in Eastern Canada," said Ferrari, who was named in this year's Top 40 Under 40.

And to show there's brotherhood among RBC bankers, the senior staffer for the Western Canadian operation (which will either be in Vancouver or Calgary) also used to work with Royal Bank.

Given Goodfood's headstart, Ferrari is not shy about the prospectus for the industry and for his company.

"We think we have a clear path to becoming a billion-dollar company," he said, a level that's about 10 times its size as of Thursday.

While many entrepreneurs make a similar claim, Ferrari said, "Investors are starting to believe it. They see the shift to on-line," he added noting the Canadian grocery business generates about \$130 billion in annual revenue.

For Ferrari, the biggest challenge or risk, is "managing the growth," the overall process of ensuring the high standards are maintained as expansion becomes the norm.

"We have a team of supply chain engineers that are continuously reworking everything we are doing. We have gone from zero three years ago to hundreds of thousands of meals a month."

As for competition from the bricks-and-mortar grocery chains and from other meal kit providers Ferrari has a different take, arguing consumers "aren't looking to replicate the off-line experience. We are not trying to compete head-on and think consumers want to buy their groceries through meal kits," said Ferrari, adding while the industry has low barriers to entry "scaling it does. In a short time it becomes a complex operation."

*Financial Post*  
bcritchley@nationalpost.com



SEAN KILPATRICK / THE CANADIAN PRESS

"We will always look at different opportunities," Prime Minister Justin Trudeau said at the Fortune Global Forum in China on Thursday about a two-way U.S. trade deal. "We're ready for anything, when things come forward."

## TRADE

## Canada-U.S. deal possible if NAFTA fails, PM assures

### Bilateral bargaining could be one recourse

CHRIS FOURNIER

GUANGZHOU • Prime Minister Justin Trudeau said he would consider one-on-one talks with the U.S. on trade, if negotiations to update the North American Free Trade Agreement fail.

"We will always look at different opportunities," Trudeau said Thursday in response to a question about a two-way U.S. trade deal at the Fortune Global Forum in China. "We're ready for anything, when things come forward. The new administration has shown a willingness to disrupt the patterns of past behaviour and look for new models, and we're willing to entertain next steps forward."

The prime minister, who was in the southern Chinese city of Guangzhou to wrap

up a five-day visit, said the 23-year-old NAFTA "needs to be updated" and warned that cancelling the pact would harm Canadians.

His comments followed the unexpected breakdown in Canada's efforts to launch free-trade talks with China, with officials saying the two sides would continue discussions.

While Trudeau reaffirmed his desire to save NAFTA, which underpins US\$1.2 trillion of trade, his comments will likely fuel speculation that Canada is preparing to move ahead without Mexico.

The remarks come just weeks after other members of the Trans-Pacific Partnership criticized Canada for upending efforts to resurrect the trade pact without the U.S.

The Canadian government has repeatedly said it was committed to working with Mexico to renew NAFTA, but officials have sometimes signalled a willingness to consider a two-way pact of the kind U.S. President Donald Trump

prefers. Trump has threatened to scrap NAFTA, if the other two signatories don't accept proposals that the administration argues will reduce U.S. trade deficits.

"We're still very confident in the kinds of support and response that we've gotten from friends, partners, colleagues in the U.S. who recognize that trade is a powerful driver of growth and benefit to citizens," Trudeau said Thursday.

Canada and the U.S. had a bilateral trade deal that was superseded and suspended by NAFTA. Canada's chief NAFTA negotiator told lawmakers this week that the old agreement would kick in again if NAFTA failed, although it would have to be re-implemented.

Starting talks with China could strengthen Trudeau's hand in NAFTA negotiations, demonstrating that the U.S.'s second-largest trading partner has other options. But a personal visit to Beijing — the second in as many years for Trudeau — wasn't enough to overcome

Chinese concerns about the "progressive" trade provisions Canada insists must be part of any deal.

Another issue under discussion was the role of state-owned enterprises, Trudeau told reporters later Thursday. In 2012, former prime minister Stephen Harper imposed restrictions on the acquisition of oil sands companies by SOEs after CNOOC Ltd. bought Nexen Inc., of Calgary. Trudeau said the Chinese government's involvement in strategic industries was "characteristic of their approach."

"That has particular implications when you have state-owned enterprises competing in the same sphere as private enterprises," Trudeau said. "Any discussion on trade as we move forward needs to reflect on the challenges, the opportunities, the advantages and the inconvenience when two systems that are different are trying to collaborate, so we can create benefits for both groups of citizens."

As of midday Thursday, it appeared that Trudeau would be leaving China without a breakthrough. Trade Minister François-Philippe Champagne spent two extra days in Beijing to pursue talks about the eventual framework of the agreement with Chinese Commerce Minister Zhong Shan and other officials, a Canadian government spokesman said.

*Bloomberg*

## Duties to be imposed during appeal process

### LUMBER

Continued from FP1

As a result of the ruling, most Canadian forestry companies will pay a combined 20.83 per cent duty and anti-dumping tariff to sell their products into the U.S.

Yurkovich said her group, which represents major forestry companies such as Vancouver-based **West Fraser Timber Co. Ltd.** and **Canfor Corp.**, is already working to appeal the decision to the World Trade Organization and under the North American Free Trade Agreement, which is currently being renegotiated.

"I went to the hearing and listened to the U.S. industry talk about how they were injured. Then, in our presentation, the case we presented for Canada, we had their same companies crowing on their analyst calls that the future looked very bright and demand was fantastic and profitability hadn't been so good since 2004," Yurkovich said. "So I don't know how you can square those things."

The duties on Canadian wood will remain in place while the appeal process is underway and even if the WTO sides with Canadian companies, there is no possibility of financial reimbursement for Canadian producers through that process, said Kevin Mason, managing director of ERA Forest Products Research. He expects "at least a year before we get any movement on any front" with respect to appealing Thursday's decision.

Shares in West Fraser and Canfor both jumped almost 2 per cent to close at \$76.82 and \$25.01, respectively, in Toronto — a sign, analysts say, the duty will largely be passed onto U.S. consumers rather than the companies' shareholders.

A report from Moody's Investor Service last week estimated the duties would cost Canadian companies \$1.2 billion next year, but U.S. homebuilders will drive increased demand amid an expected 6 per cent increase in housing starts thanks to rebuilding effort following hurricanes in Texas, Florida

and Puerto Rico.

"This is credit positive for our rated Canadian and U.S. lumber producers, as high prices will outweigh the cost of the duty," Moody's senior vice-president Ed Sustar said in its release before the ITC ruling.

He added that U.S. lumber companies like Spokane, Wash.-based **Potlatch Corp.** and Atlanta's Georgia-Pacific LLC would see the most upside from the duties. Potlatch shares were up roughly 1 per cent to US\$51.15 each at mid-day on the Nasdaq.

Prices for Western Spruce/Pine/Fir (SPF) products have recently hit historic highs, ERA's Mason said.

Data from Bloomberg show lumber traded at US\$425.70 per thousand board feet on Thursday, which is off the high of US\$460 per mbf set in October, but still far above historical averages.

Mason said he expects Western SPF prices to average close to US\$400 per mbf this year and decline slightly to average US\$390 per mbf next year.

"Right now prices are high enough, and we think they'll continue to be high enough, that we think the majority of Canadian producers are going to keep going," Mason said.

"We're going to have record-breaking fourth-quarter (earnings) numbers coming out."

BMO Capital Markets analyst Mark Wilde recently boosted estimates for West Fraser, Canfor and **Interfor Corp.** due to the high prices the industry has enjoyed in recent months, noting that "almost everything went right" in the quarter.

He noted that Western SPF prices are up because summer forest fires across British Columbia limited the supply of wood while demand is expected to continue to rise as major U.S. population centres like Houston rebuild after devastating hurricanes.

Still, Wilde cautioned investors that he retains a "market-perform" rating on the stocks because "chasing commodity stocks in 'peaky' markets is seldom a good investment strategy."

*Financial Post*  
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## LEGAL

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IN THE MATTER OF THE BANKRUPTCY OF  
**SYNERGY ACCESS INC.**  
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PURSUANT TO THE LAWS OF THE  
PROVINCE OF ONTARIO WITH A  
HEAD OFFICE IN THE  
TOWN OF STOUFFVILLE  
PROVINCE OF ONTARIO

Notice is hereby given that **SYNERGY ACCESS INC.**, located at 88 Pennidutch Circle, Stouffville, Ontario filed an assignment in bankruptcy on the 4th day of December, 2017 and that Schwartz Levitsky Feldman Inc. was appointed as Trustee, and that the First Meeting of Creditors will be held on the 20th day of December, 2017, at the hour of 11:00 o'clock in the forenoon, at:

Schwartz Levitsky Feldman Inc.  
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**SLF**

### 249786 ONTARIO LTD.

On June 20, 2017, Albert Gelman Inc. ("AGI") was appointed, pursuant to an order made by the Ontario Superior Court of Justice (the "Court"), as Liquidator of 249786 Ontario Ltd. (the "Company").

By Order of the Court dated October 30, 2017 (the "Claims Solicitation Procedure and Bar Order"), a process was established in order for creditors to prove claims against the Company in existence as at November 24, 2017. In accordance with the Claims Solicitation Procedure, the Liquidator is authorized and directed to send a copy of the Proof of Claim Document Package to each Creditor by regular mail. Any Creditor who does not receive a Proof of Claim form may obtain this form on the Liquidator's website, <http://www.albertgelman.com/corporate-solutions/insolvency-engagements/> or by contacting the Liquidator using the contact information set out below.

Creditors must complete and deliver the Proof of Claim form to the Liquidator by **no later than 5:00 p.m. (Eastern Standard Time) on January 19, 2018** or such later date as ordered by the Court (the "Claims Bar Date").

**IF YOUR PROOF OF CLAIM IS NOT RECEIVED BY THE LIQUIDATOR BY THE CLAIMS BAR DATE, YOUR CLAIM AGAINST THE COMPANY WILL BE FOREVER BARRED AND EXTINGUISHED.**

Contact information of the Liquidator

Albert Gelman Inc., Court Appointed Liquidator of 249786 Ontario Inc.  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2  
Attention: Tom McElroy  
Phone: (416) 504-1650 Ext. 117  
Fax: (416) 504-1655  
Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com)  
Dated at Toronto, this 8th day of December, 2017

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**Legal**  
2497486 ONTARIO LTD.  
On June 20, 2017, Albert Gelman Inc. ("AGI") was appointed, pursuant to an order made by the Ontario Superior Court of Justice (the "Court"), as Liquidator of 2497486 Ontario Ltd. (the "Company").  
By Order of the Court dated October 30, 2017 (the "Claims Solicitation Procedure and Bar Order"), a process was established in order for creditors to prove claims against the Company in existence as at November 24, 2017. In accordance with the Claims Solicitation Procedure, the Liquidator is authorized and directed to send a copy of the Proof of Claim Document Package to each Creditor by regular mail. Any Creditor who does not receive a Proof of Claim form may obtain this form on the Liquidator's website, <http://www.albertgelman.com> /corporate-solutions /insolvency-engagements/ or by contacting the Liquidator using the contact information set out below.  
Creditors must complete and deliver the Proof of Claim form to the Liquidator by no later than 5:00 p.m. (Eastern Standard Time) on January 19, 2018 or such later date as ordered by the Court (the "Claims Bar Date").  
IF YOUR PROOF OF CLAIM IS NOT RECEIVED BY THE LIQUIDATOR BY THE CLAIMS BAR DATE, YOUR CLAIM AGAINST THE COMPANY WILL BE FOREVER BARRED AND EXTINGUISHED.  
Contact information of the Liquidator  
Albert Gelman Inc., Court Appointed Liquidator of 2497486 Ontario Ltd. 100 Simcoe Street, Suite 125 Toronto, ON M5H 3G2 Attention: Tom McElroy Phone: (416) 504-1650 Ext. 117 Fax: (416) 504-1655 Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com)  
Dated at Toronto, this 8th day of December, 2017

**Personal**  
FRANCES /Ms. Green/Ms. T. Sweetheart, it's well said in life, you are absolutely right! You're so witty and funny! It brought me to tears from laughing too hard. Jf xoxo  
FRANCES: Sweetie, waiting for a day seems like a year. Could you step on the gas pedal a little? Smile. Jf xoxo  
KELLY C - May your cup overflow with love, joy and awesomeness. Just like you! Love Franca

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# **APPENDIX “K”**

**SCHEDULE "B" - PROOF OF CLAIM**

**Proof of Claim**

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim form. Defined terms not defined within this Proof of Claim form shall have the meaning ascribed therein.

**A. PARTICULARS OF THE CREDITOR:**

(1) Full Legal Name of Creditor (include trade name, if different):

.....Wilk Law and/or Monika Wilk.....  
 .....

(the "Creditor"). The full legal name should be the name of the Creditor of 2497486 Ontario Inc. (the "Company"), notwithstanding whether an assignment of a Claim, or a portion thereof, has occurred prior to or following November 24, 2017.

(2) Full Mailing Address of Creditor: (The mailing address should be the mailing address of the Creditor and not any assignee)

.....190 Marion Street, Toronto, ON M6R 1E8.....  
 .....

(3) Telephone Number of Creditor: ..647-503-1075.....

(4) Facsimile Number of Creditor: ....647-503-1076.....

(5) E-mail Address of Creditor: .....monika@wilklaw.ca.....

(6) Attention (Contact Person): .....Monika Wilk.....

Has the claim set out herein been sold, transferred or assigned by the Creditor to another party?

Yes: [ ]      No: [X]

**B. PARTICULARS OF THE ASSIGNEE(S) (IF APPLICABLE)**

*If the Claim set out herein has been sold, transferred or assigned, complete the required information set out below. If there is more than one assignee, please attach a separate sheet which contains all of the required information set out below for each assignee.*

(1) Full Legal Name of the Assignee:

.....  
.....

(2) Full Mailing Address of the Assignee:

.....  
.....

(3) Telephone Number of Creditor: .....

(4) Facsimile Number of Creditor: .....

(5) E-mail Address of Creditor: .....

(6) Attention (Contact Person): .....

**C. PROOF OF CLAIM**

**THE UNDERSIGNED HEREBY MAKES OATH AND SAYS AS FOLLOWS:**

(1) That I:

am a Creditor of the Company; or *(if applicable)*

am

Sole Practitioner

(state position or title)

of

Wilk Law

(Name of Creditor)

- (2) That I have knowledge of all of the circumstances connected with the Claim described and set out below:
- (3) The Claim seeks payment of \$...4,536.95..... [Insert \$ value of claim] CAD in the Company on account of principal ..... and .....Nil..... on account of interest [Provide particulars of interest claim and calculation of same]
- (4) The Creditor has received .....\$0.00..... [Insert \$ in Canadian Dollars regardless of whether amount received was from repayment of principal owing pursuant to the Claim or return on principal or interest from, or on an account of the Company in conjunction with the Claim]

NOTE: Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot rate as of November 24, 2017.

**D. PARTICULARS OF CLAIM**

Other than as already set out herein, the particulars of the undersigned's total Claim against the Company are attached on a separate sheet.

*Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s), copies of cheques, bank draft, money orders, wire transfers, etc., loan documents, promissory notes or other agreement(s) giving rise to the Claim and particulars of any Claim.*

SWORN BEFORE ME at the )  
 \_\_\_\_\_ Toronto \_\_\_\_\_, in the )  
 Province of \_\_\_\_\_ Ontario \_\_\_\_\_ )  
 this \_\_\_\_\_ 11th \_\_\_\_\_ day of \_\_\_\_\_ January \_\_\_\_\_, 2018 )

M. O. M. - Douglas  
 A Commissioner, or Notary Public, etc.  
 Mary-Douglass Macdonald  
 Barrister and Solicitor

Monika Wilk  
 Name of Deponent: Monika Wilk

**SCHEDULE "B" - PROOF OF CLAIM**

**Proof of Claim**

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim form. Defined terms not defined within this Proof of Claim form shall have the meaning ascribed therein.

**A. PARTICULARS OF THE CREDITOR:**

- (1) Full Legal Name of Creditor (include trade name, if different):

Safetech Environmental Limited  
 .....  
 .....

(the "**Creditor**"). The full legal name should be the name of the Creditor of 2497486 Ontario Inc. (the "**Company**"), notwithstanding whether an assignment of a Claim, or a portion thereof, has occurred prior to or following November 24, 2017.

- (2) Full Mailing Address of Creditor: (The mailing address should be the mailing address of the Creditor and not any assignee)

3045 Southcreek Road, Unit 14, Mississauga, Ontario, L4X 2X7  
 .....  
 .....

- (3) Telephone Number of Creditor: 905 624 2722 ext. 232  
 .....

- (4) Facsimile Number of Creditor: 905 624 4306  
 .....

- (5) E-mail Address of Creditor: ateixeira@safetechenv.com  
 .....

- (6) Attention (Contact Person): Angeline Teixeira  
 .....

Has the claim set out herein been sold, transferred or assigned by the Creditor to another party?

Yes: [ ]      No: [X]

**B. PARTICULARS OF THE ASSIGNEE(S) (IF APPLICABLE)**

*If the Claim set out herein has been sold, transferred or assigned, complete the required information set out below. If there is more than one assignee, please attach a separate sheet which contains all of the required information set out below for each assignee.*

(1) Full Legal Name of the Assignee:

.....  
.....

(2) Full Mailing Address of the Assignee:

.....  
.....

(3) Telephone Number of Creditor: .....

(4) Facsimile Number of Creditor: .....

(5) E-mail Address of Creditor: .....

(6) Attention (Contact Person): .....

**C. PROOF OF CLAIM**

**THE UNDERSIGNED HEREBY MAKES OATH AND SAYS AS FOLLOWS:**

(1) That I: Angeline Teixeira

am a Creditor of the Company; or *(if applicable)*

am

the Accounts Receivable/Collections Manager  
.....

(state position or title)

of

Safetech Environmental Limited  
.....

(Name of Creditor)

- (2) That I have knowledge of all of the circumstances connected with the Claim described and set out below:
- (3) The Claim seeks payment of \$ 3,333.50 [Insert \$ value of claim] CAD in the Company on account of principal ..... and ..... on account of interest [Provide particulars of interest claim and calculation of same]
- (4) The Creditor has received \$ 0.00 [Insert \$ in Canadian Dollars regardless of whether amount received was from repayment of principal owing pursuant to the Claim or return on principal or interest from, or on an account of the Company in conjunction with the Claim]

*NOTE: Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot rate as of November 24, 2017.*

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*Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s), copies of cheques, bank draft, money orders, wire transfers, etc., loan documents, promissory notes or other agreement(s) giving rise to the Claim and particulars of any Claim.*

SWORN BEFORE ME at the )  
 City of Mississauga \_\_\_\_\_, in the )  
 Province of Ontario )  
 this 69 day of December Jan, 2017 )

[Signature]  
 A Commissioner, or Notary Public, etc.  
Jan. 9th, 2018

Angeline Teixeira [Signature]  
 Name of Deponent:

Balvinder Kumar  
 Notary Public and Commissioner of Oaths  
 In & for the Province of Ontario, Canada  
 My Commission is of unlimited duration  
 No Legal Advice or opinion rendered

Novel Notary Public Services Inc.  
 201-10 Kingsbridge Garden Circle  
 Mississauga, Ontario, Canada, L5R 3K6  
 PH: 905-290-7205

# **APPENDIX “L”**

# 2497486 Ontario Limited

## Financial Statements

**DECEMBER 31, 2017**

*(Unaudited - see Notice to Reader)*

# 2497486 Ontario Limited

DECEMBER 31, 2017

## CONTENTS

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Balance Sheet	2
Statement of Income and Retained Earnings	4

**NOTICE TO READER**

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On the basis of information provided by company's management, we have compiled the balance sheet of 2497486 Ontario Limited as at December 31, 2017 and the Statement of income and retained earnings for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

*Errol Chapman professional Corporation*  
Chartered Professional Accountant

Ajax Ontario  
March 21, 2018

## 2497486 Ontario Limited

### Balance Sheet

For the year ended DECEMBER 31, 2017

(Unaudited - see Notice to Reader)

	Note	2017	2016
<b>Assets</b>			
<b>Current Assets</b>			
Cash		\$ 29,806	\$ 6,447
Short term investments		900,000	75,659
Accounts receivable		21,228	-
Prepayments		-	6,884
<b>Total Current Assets</b>		<b>951,034</b>	<b>88,990</b>
Property, plant and equipment		-	1,232,200
<b>Total Assets</b>		<b>\$ 951,034</b>	<b>\$ 1,321,190</b>

## 2497486 Ontario Limited

### Balance Sheet

For the year ended DECEMBER 31, 2017

(Unaudited - see Notice to Reader)

#### Liabilities and Shareholders' Equity

##### Current Liabilities

Accounts payable and accrued liabilities	\$ 8,665	\$ 1,904
Taxes payable	93,513	-
Due to shareholders/directors	449,435	448,685
Current portion of Mortgage Payable	-	21,165
Security deposits	-	3,720
Due to Government Agencies	-	3,829
<b>Total Current Liabilities</b>	<b>551,613</b>	<b>479,303</b>
Mortgage Payable	-	860,226
<b>Total Liabilities</b>	<b>551,613</b>	<b>1,339,529</b>
<b>Equity</b>		
Retained earnings/(Deficit)	399,421	(18,339)
<b>Total Liabilities and Equity</b>	<b>\$ 951,034</b>	<b>\$ 1,321,190</b>

---

Albert Gelman Inc., in its Capacity as Court-Appointed Liquidator of 2497486 Ontario Limited,  
Per: Tom McElroy

## 2497486 Ontario Limited

### Statement of Income and Retained Earnings

For the Year JANUARY 01, 2017 - DECEMBER 31, 2017

(Unaudited - see Notice to Reader)

	2017	2016
<b>Revenue</b>		
Rental income	\$ 85,163	\$ 68,399
<b>Operating expenses</b>		
Advertising and promotion	954	-
Insurance	1,700	3,154
Interest and bank charges	66,836	47,729
Office expenses	7,366	1,772
Professional fees	82,220	12,480
Property taxes	15,730	16,483
Repairs and maintenance	6,022	421
Travel expenses	44	-
Utilities	6,844	5,358
<b>Total operating expenses</b>	<b>187,716</b>	<b>87,397</b>
<b>Loss from operations</b>	<b>(102,553)</b>	<b>(18,998)</b>
<b>Non operating income and expenses</b>		
Gains on disposal of property	613,056	-
Interest income	770	659
<b>Total non operating income and expenses</b>	<b>613,826</b>	<b>659</b>
<b>Net profit (loss) for the Year</b>	<b>511,273</b>	<b>(18,339)</b>
Current income taxes	93,513	-
(Deficit) - beginning of the year	(18,339)	-
<b>RETAINED EARNINGS (DEFICIT) - End of Year</b>	<b>\$ 399,421</b>	<b>\$ (18,339)</b>

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2497486 Ontario Limited

2018-07-18

### Transaction Detail by Account

Accrual Basis

1 January 2016 through 18 July 2018

Type	Date	Num	Adj	Name	Memo	Cir	Split	Debit	Credit
<b>Due to Shareholders</b>									
<b>Due to Mustafa</b>									
General Journal	2016-01-01	1	*		To recognize t...		Land & Building		100,000.00
Deposit	2016-01-27	0188			Deposit		CIBC Chequing		5,000.00
Deposit	2016-11-17			Mustafa Ismael	Deposit		CIBC Chequing		1,500.00
General Journal	2017-05-02	8	*		Deposit into a...		CIBC Chequing		200.00
General Journal	2017-05-16	10	*		Deposit by M...		CIBC Chequing		150.00
General Journal	2017-05-18	11	*		Deposit by M...		CIBC Chequing		50.00
<b>Total Due to Mustafa</b>								<b>0.00</b>	<b>106,900.00</b>
<b>Total Due to Shareholders</b>								<b>0.00</b>	<b>106,900.00</b>
<b>TOTAL</b>								<b>0.00</b>	<b>106,900.00</b>

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2018-07-18

Accrual Basis

**2497486 Ontario Limited**  
**Transaction Detail by Account**  
 1 January 2016 through 18 July 2018

Type	Date	Num	Adj	Name	Memo	Cir	Split	Debit	Credit
<b>Due to Shareholders</b>									
<b>Due to Abbas</b>									
General Journal	2016-01-01	1	*		To recognize t...				207,123.13
Deposit	2016-01-27	0187			Deposit				10,000.00
Deposit	2016-12-06				Deposit			3,000.00	
Deposit	2016-12-06				Deposit			3,000.00	
General Journal	2017-07-06	12	*		Monies paid b...				20,000.00
General Journal	2017-08-10	15	*		Monies paid b...				30,000.00
Cheque	2017-12-07	56		Abbas	Repayment			50,000.00	
<b>Total Due to Abbas</b>								<b>53,000.00</b>	<b>270,123.13</b>
<b>Total Due to Shareholders</b>								<b>53,000.00</b>	<b>270,123.13</b>
<b>TOTAL</b>								<b>53,000.00</b>	<b>270,123.13</b>

**2497486 Ontario Limited**  
**Transaction Detail by Account**  
**1 January 2016 through 18 July 2018**

2:53 PM  
 2018-07-18  
 Accrual Basis

Type	Date	Num	Adj	Name	Memo	Cir	Split	Debit	Credit
<b>Due to Shareholders</b>									
<b>Due to Stephen</b>									
General Journal	2016-01-01	1	*		To recognize t...		Land & Building		118,561.57
Deposit	2016-01-14				Deposit		CIBC Chequing		5,000.00
Deposit	2016-11-17			Stephen Celestial	Deposit		CIBC Chequing		1,500.00
General Journal	2017-05-02	7	*		Deposit from ...		CIBC Chequing		200.00
General Journal	2017-05-16	9	*		Deposit by St...		CIBC Chequing		150.00
<b>Total Due to Stephen</b>								<b>0.00</b>	<b>125,411.57</b>
<b>Total Due to Shareholders</b>								<b>0.00</b>	<b>125,411.57</b>
<b>TOTAL</b>								<b>0.00</b>	<b>125,411.57</b>

# **APPENDIX “M”**

**In the Matter of the Liquidation of 2497486 Ontario Ltd.  
Liquidator's Interim Statement of Receipts and Disbursements  
As at October 22, 2018**

**Receipts**

Proceeds from sale of real property	\$ 1,950,000
Rental income collected (net of adjustments on closing)	42,022
HST refund	21,233
Interest income	10,777
Cash in bank account	9,502
HST collected	3,664
Other miscellaneous receipts	536
	2,037,735

**Disbursements**

Payment to secured creditor - Equitable Bank	838,797
Corporate income tax payable - Sale of Real Property	94,330
Commission paid to realtors	87,750
Liquidator's fees to September 20, 2018	72,161
HST charged on disbursements	27,554
Legal fees of KRMC LLP to September 30, 2018	35,037
Distribution to unsecured creditors	7,870
Transfer of tenant deposits to purchaser on closing	5,539
HST remitted	6,446
Repairs and maintenance	5,612
Property taxes	5,069
Utilities	3,833
Newspaper advertisements	2,212
Appraisal of real property	3,000
Accounting	3,450
Insurance	1,190
Mail redirection	502
Change of locks	324
Postage and photocopies	236
License fees - Promeric	170
Courier	153
Search Fees	131
Ministry of Finance	75
Travel and parking	44
Bank changes	18
	1,201,502

**Net receipts over disbursements** \$ **836,232**

**Allocation of funds**

Invested in short-term deposits	\$ 806,481
Cash in Liquidator's Trust bank account	29,751
	\$ <b><u>836,232</u></b>

# **APPENDIX “N”**

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and**  
**2497486 ONTARIO LTD.**

Respondents

**LIQUIDATOR'S AFFIDAVIT OF FEES**

I, Tom McElroy, of the City of Toronto, make oath and say as follows:

1. I am a Licenced Insolvency Trustee employed by Albert Gelman Inc., Liquidator of 2497486 Ontario Ltd. ("Liquidator"), and as such have knowledge of the facts herein deposed to.
2. The Liquidator has prepared invoices in connection with its fees as follows:
  - a. An account dated November 28, 2017 for the period of October 18 to November 24, 2017 of \$7,302.00, plus HST thereon;
  - b. An account dated December 12, 2017 for the period of November 25 to December 12, 2017 of \$3,433.00, plus HST thereon;
  - c. An account dated February 28, 2018 for the period of December 13, 2017 to February 28, 2018 of \$4,238.00, plus HST thereon;
  - d. An account dated May 14, 2018 for the period of March 1 to May 10, 2018 of \$4,065.50, plus HST thereon; and,
  - e. An account dated September 20, 2018 for the period of May 11 to September 20, 2018 of \$5,018.00, plus HST thereon.

3. A summary of the Liquidator's time by staff member is as follows:

Staff member	Position	Hours		Total
		worked	Hourly rate	
Bryan Gelman, CIRP, LIT	Principal	1.9	400.26	760.50
Joe Albert, CPA, CA, CIRP, LIT	Principal	2.4	481.88	1,156.50
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Manager	64.7	337.48	21,835.00
Petra Brown	Estate Administrator	0.3	150.00	45.00
Daphna Cherniak	Estate Administrator	2.6	100.00	260.00
		<u>71.9</u>	<u>334.59</u>	<u>24,057.00</u>

4. The Liquidator's total fees are \$24,057.00, its total hours spent is 71.9 and, therefore, its average hourly rate is calculated to be \$334.59.
5. The Liquidator's accounts, including detailed time dockets, are attached hereto as **Exhibit "A"**.
6. 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 23<sup>rd</sup> day of October, 2018.

)  
)  
)

  
\_\_\_\_\_  
Tom McElroy

  
\_\_\_\_\_  
A Commissioner, etc.

Petra Brown, a Commissioner, etc.,  
Province of Ontario, for Albert Gelman Inc.,  
Expires April 8, 2019

2497486 Ontario Ltd  
c/o Albert Gelman Inc., Court-Appointed Liquidator  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2

**Invoice**

**Invoice Date:** Nov 28, 2017  
**Invoice No:** 2984  
**Billing Through:** Nov 24, 2017  
**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd**

**Professional Fees:**

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
18/10/2017	TMCELROY	Assemble report; Prepare and post journal entry; Convert Liquidator's accounts to Bill of Cost format; Instructions to D. Cherniak re administration; Final review of First Report before issuance; Call with P. Cho re motion materials; Review and comments to P. Cho re AVO and notice of motion;	5.10	\$325.00	\$1,657.50
18/10/2017	BGELMAN	Final review of Approval and Vesting Order;	0.20	\$395.00	\$79.00
19/10/2017	TMCELROY	Review and comments re draft claims process Order; Email to E. Chapman; Review and approve solicitors account;	0.80	\$325.00	\$260.00
23/10/2017	TMCELROY	Email to P. Cho; Email to E. Chapman; Review of motion record;	0.40	\$325.00	\$130.00
24/10/2017	TMCELROY	Approve disbursements (3); Draft ltr to E. Chapman; Conference call with D. Fogel, R. Hanna and P. Cho re Oct 30 motion; Email to R. Leong of Equitable Bank re prepayment charge;	1.10	\$325.00	\$357.50
25/10/2017	JALBERT	Approve and sign three cheques;	0.10	\$425.00	\$42.50
25/10/2017	TMCELROY	Call with R. Leong (Equitable Bank) re mortgage discharge penalty;	0.10	\$325.00	\$32.50
30/10/2017	TMCELROY	Prep for and attendance at Court re hearing to approve sale of Real Property; Follow up email to R. Leung re mortgage break fee;	2.10	\$325.00	\$682.50
31/10/2017	TMCELROY	Email to R. Leong re mortgage break fee; Email to T. Walsh re documents posted to website in accordance with e-protocol;	0.30	\$325.00	\$97.50
01/11/2017	TMCELROY	Email to third floor tenants; Approve deposit; Review of mail;	0.20	\$325.00	\$65.00
02/11/2017	TMCELROY	Approve disbursement to Equitable Bank; Several emails to third floor tenants; Emails from third floor tenants; Banking instructions to B. Gelman; Approve deposit;	0.50	\$325.00	\$162.50
03/11/2017	TMCELROY	Discussions with P. Brown re requirement to advise OSB of mandate; Update Ascend;	0.20	\$325.00	\$65.00
06/11/2017	TMCELROY	Approve deposit; Approve disbursement; Draft letter to R. Leong (Equitable Bank);	0.30	\$325.00	\$97.50
07/11/2017	TMCELROY	Email to R. Leong re November mortgage payment;	0.10	\$325.00	\$32.50

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

2497486 Ontario Ltd  
c/o Albert Gelman Inc., Court-Appointed Liquidator  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2

## Invoice

**Invoice Date:** Nov 28, 2017

**Invoice No:** 2984

**Billing Through:** Nov 24, 2017

**File ID:** 1028BLOOR - L:

### Re: Liquidation of 2497486 Ontario Ltd

09/11/2017	TMCELROY	Call with Kinga Balog (KRMC) re various closing matters; Email to R. Tuzi re delivery of keys to lawyer on closing; Several emails to K. Balog re property closing matters; Email to D. Cherniak re banking matters; Prepare and post journal entry; Email to third floor tenant;	1.30	\$325.00	\$422.50
14/11/2017	TMCELROY	Review of Equitable Bank payout statement and forward same to counsel;	0.10	\$325.00	\$32.50
16/11/2017	TMCELROY	Approve disbursements (2); Call with Kinga re closing matters;	0.30	\$325.00	\$97.50
20/11/2017	TMCELROY	Email to R. Tuzzi re return of keys; Email to R. Tuzzi re pictures of property; Call with Kinga re closing documents; Email to E. Lau re closing and pictures of first floor unit; Call with R. Tuzzi re delivery of keys to counsel and final property management matters;	0.80	\$325.00	\$260.00
21/11/2017	TMCELROY	Review of closing documents; Several emails to counsel; Approve disbursement; Call with D. Tal and Kinga re closing documents; Email to S. Celestial re LMR;	2.40	\$325.00	\$780.00
21/11/2017	BGELMAN	Review of closing docs from Liquidator's counsel;	0.40	\$395.00	\$158.00
22/11/2017	TMCELROY	Review of accounts provided by Onyx Fire; Email to Thaya Yogachandran (Onyx Fire); Email exchange with R. Tuzzi; Review statement of adjustment, trust ledger, etc.; Several calls with Dov Tal re closing matters and request for extension from purchaser; Approve disbursement; Review court order and APS re potential extension of closing date; Call with M. Switzer re status of closing;	2.60	\$325.00	\$845.00
22/11/2017	BGELMAN	Mtg with T. McElroy re purchasers request to delay closing;	0.30	\$395.00	\$118.50
23/11/2017	TMCELROY	Email to R. Tuzzi re property maintenance; Several call with D. Tal re closing matters; Call with P. Cho re closing matters;	0.90	\$325.00	\$292.50
23/11/2017	BGELMAN	Discuss assignment of lease request by Tenant; Review of assignment docs;	0.20	\$395.00	\$79.00
24/11/2017	TMCELROY	Review and execute lease assignment documents; Attend to final closing matters; Instructions to D. Cherniak re banking matters; Execute closing certificate; Email to R. Tuzzi;	1.40	\$325.00	\$455.00
<b>Total Fees:</b>					<b>\$7,302.00</b>
<b>HST:</b>					<b>\$949.26</b>

2497486 Ontario Ltd  
 c/o Albert Gelman Inc., Court-Appointed Liquidator  
 100 Simcoe Street, Suite 125  
 Toronto, ON M5H 3G2

**Invoice**

**Invoice Date:** Nov 28, 2017  
**Invoice No:** 2984  
**Billing Through:** Nov 24, 2017  
**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd**

**Summary by Staff:**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP, LIT)	1.10	\$395.00	\$434.50
Joe E. Albert (Principal, CPA, CA, DIFA, CIRP, LIT)	0.10	\$425.00	\$42.50
Tom McElroy (Manager, CPA, CA, CBV, CIRP, LIT)	21.00	\$325.00	\$6,825.00

**Disbursements:**

**Non-Taxable Disbursements**

SEARCH FEES: \$8.00

**Taxable Disbursements**

PHOTOCOPIES: \$165.00

POSTAGE: \$0.82

**Total Disbursements:** \$173.82

**HST:** \$21.56

**Amount Due This Invoice:** \$8,446.64

<b>Invoice Summary:</b>	
TOTAL FEES AND DISBURSEMENTS:	\$7,475.82
TOTAL HST:	\$970.82
<b>TOTAL AMOUNT DUE:</b>	<b>\$8,446.64</b>

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

2497486 Ontario Ltd  
c/o Albert Gelman Inc., Court-Appointed Liquidator  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2

**Invoice**

**Invoice Date:** Dec 12, 2017  
**Invoice No:** 3032  
**Billing Through:** Dec 12, 2017  
**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd.****Professional Fees:**

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
25/11/2017	TMCELROY	Email to counsel re closing certificate; Instructions to D. Cherniak re mailing and court filing;	0.20	\$325.00	\$65.00
27/11/2017	TMCELROY	Review realtor commission statement; Email to realtor; Email to K. Balog; Call with K. Barrett re Liquidator's certificate;	0.40	\$325.00	\$130.00
28/11/2017	TMCELROY	Prepare journal entry record receipt of sales proceeds and disbursement; Email to creditor re claims process;	0.70	\$325.00	\$227.50
29/11/2017	TMCELROY	Email to Ed Lau (commercial tenant); Email to S. Celestial re return of cheques; Email to D. Fogel; Prepare interim statement of receipts and disbursements; Approve deposit; Approve disbursement; Convert Liquidator's accounts to Bill of Cost format;	1.40	\$325.00	\$455.00
30/11/2017	TMCELROY	Instructions to T. Walsh re e-service protocol; Prepare Proof of Claim Document package and email same to all known creditors; Email exchange with P. Cho; Prepare and post several journal entries; Email to D. Fogul and R. Hanna; Email to S. Celestial re potential creditors; Email to D. Fogul re potential creditors; Prepare notice for newspaper; Email to representatives of both Toronto Star and National Post;	3.50	\$325.00	\$1,137.50
30/11/2017	BGELMAN	Respond to T. McElroy re proof of claim process;	0.10	\$395.00	\$39.50
01/12/2017	BGELMAN	Review and revisions to Interim SRD;	0.20	\$395.00	\$79.00
01/12/2017	TMCELROY	Finalize interim SRD and forward same to D. Fogul and R. Hanna; Discussions with D. Cherniak re short-term deposits; VM left for J. Scida; Email to J. Scida (FSB Insurance) re refund of premiums; Update website re e-service protocol;	1.00	\$325.00	\$325.00
01/12/2017	JALBERT	Update discussion with T. McElroy on insurance matters;	0.20	\$425.00	\$85.00
03/12/2017	TMCELROY	Review Court Order re Liquidators charge; Email to D. Fogel re return of third party funds;	0.10	\$325.00	\$32.50
04/12/2017	TMCELROY	Emails to S. MacFarlane (National Post);	0.10	\$325.00	\$32.50
05/12/2017	TMCELROY	Approve disbursement; Draft ltr to D. Fogel; Review newspaper ad proofs; Email to S. MacFarlane at National Post; Email to legal notice at Toronto Star; Review of additional closing documents;	0.80	\$325.00	\$260.00
06/12/2017	TMCELROY	Review Toronto Star ad proof; Coordinate placement of add in Toronto Star; Email to S. MacFarlane;	0.60	\$325.00	\$195.00

2497486 Ontario Ltd  
 c/o Albert Gelman Inc., Court-Appointed Liquidator  
 100 Simcoe Street, Suite 125  
 Toronto, ON M5H 3G2

**Invoice**

**Invoice Date:** Dec 12, 2017  
**Invoice No:** 3032  
**Billing Through:** Dec 12, 2017  
**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd.**

Date	Staff	Description	Hours	Rate	Amount
07/12/2017	TMCELROY	Approval of Toronto Star proof; Approve solicitors accounts; Draft letter to K. Barrett; Instructions to D. Cherniak re notice to CRA of claims process; Approve deposit; Review claim of Safetech and email to A. Teixeira re same;	0.80	\$325.00	\$260.00
12/12/2017	TMCELROY	Approve disbursement; Instructions to P. Brown re newspaper ad affidavit;	0.20	\$325.00	\$65.00
12/12/2017	PBROWN	Prepare affidavit of newspaper ad;	0.30	\$150.00	\$45.00
<b>Total Fees:</b>					<b>\$3,433.50</b>
<b>HST:</b>					<b>\$446.36</b>

**Summary by Staff:**

Staff	Hours	Rate	Amount
Bryan A. Gelman (Principal, CIRP, LIT)	0.30	\$395.00	\$118.50
Joe E. Albert (Principal, CPA, CA, DIFA, CIRP, LIT)	0.20	\$425.00	\$85.00
Petra Brown (Senior Assoc. Prof Sup)	0.30	\$150.00	\$45.00
Tom McElroy (Manager, CPA, CA, CBV, CIRP, LIT)	9.80	\$325.00	\$3,185.00

**Disbursements:**

**Taxable Disbursements**

PHOTOCOPIES:	\$1.50
POSTAGE:	\$4.10

<b>Total Disbursements:</b>	<b>\$5.60</b>
<b>HST:</b>	<b>\$0.76</b>

**Amount Due This Invoice:** **\$3,886.22**

**Invoice Summary:**

TOTAL FEES AND DISBURSEMENTS:	\$3,439.10
TOTAL HST:	\$447.12
<b>TOTAL AMOUNT DUE:</b>	<b>\$3,886.22</b>

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

HST No. 83741 9514 RT 0001

2497486 Ontario Ltd  
1028 Bloor St West  
Toronto, ON

## Invoice

**Invoice Date:** Feb 28, 2018

**Invoice No:** 3142

**Billing Through:** Feb 28, 2018

**File ID:** 1028BLOOR - L:

**Re: Liquidation 2497486 Ontario Ltd.**

**Professional Fees:**

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
14/12/2017	TMCELROY	Approve disbursement; Review correspondence from CRA re HST;	0.20	\$325.00	\$65.00
18/12/2017	TMCELROY	Discuss cancellation of Insurance policy with B. Gelman; Email to J. Washington re cancellation of insurance policy;	0.10	\$325.00	\$32.50
19/12/2017	TMCELROY	Approve disbursement; Review PPSA discharge statement; Instructions to P. Brown;	0.20	\$325.00	\$65.00
20/12/2017	TMCELROY	Call with representative from CRA national insolvency intake center; Draft letters to Toronto Hydro, City of Toronto and Enbridge re close accounts; Approve disbursement;	1.10	\$325.00	\$357.50
03/01/2018	TMCELROY	Review of revised PPSA search re discharge of Equitable Bank security; Prepare and file HST return;	0.90	\$350.00	\$315.00
04/01/2018	TMCELROY	Review and execute insurance cancellation form and forward same to J. Washington (insurance broker); Voicemail exchange with John Coady;	0.60	\$350.00	\$210.00
09/01/2018	TMCELROY	Review file to determine claims received to date and follow up with known creditors who have not filed claims;	0.50	\$350.00	\$175.00
11/01/2018	TMCELROY	Review of proof of claim;	0.10	\$350.00	\$35.00
12/01/2018	TMCELROY	Approve disbursement to CRA;	0.10	\$350.00	\$35.00
15/01/2018	TMCELROY	Approve deposit; Call with Debbie (CRA) re HST refund claimed;	0.30	\$350.00	\$105.00
17/01/2018	TMCELROY	Review of Claims Process Order; Emails (2) to counsel re claims process;	0.30	\$350.00	\$105.00
19/01/2018	TMCELROY	Prep for and call with counsel re claims bar date and next steps;	0.80	\$350.00	\$280.00
23/01/2018	TMCELROY	Assemble documents and draft letter to CRA re response to Jan 17/18 letter re HST filing;	1.30	\$350.00	\$455.00
25/01/2018	TMCELROY	Voicemail exchange D. Nandan (CRA); Call with D. Nandan (CRA) re additional information required to assess HST refund; Call with D. Tal re exclusion certificate; Email to counsel re property tax statement; Review documents provided by counsel re HST and forward same to CRA;	0.60	\$350.00	\$210.00
01/02/2018	TMCELROY	Admit and process claims received prior to Claims Bar Date; Draft letters to claimants (2);	1.00	\$350.00	\$350.00
09/02/2018	TMCELROY	Approve disbursement;	0.10	\$350.00	\$35.00
13/02/2018	TMCELROY	Approve receipt;	0.10	\$350.00	\$35.00
16/02/2018	TMCELROY	Consideration of filing 2017 corp. tax return and discussions with B. Gelman re same; Approve receipt;	0.40	\$350.00	\$140.00

2497486 Ontario Ltd  
1028 Bloor St West  
Toronto, ON

**Invoice**

**Invoice Date:** Feb 28, 2018  
**Invoice No:** 3142  
**Billing Through:** Feb 28, 2018  
**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd.**

**Professional Fees:**

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
16/02/2018	BGELMAN	Respond to T. McElroy re yearend financial statements;	0.10	\$415.00	\$41.50
16/02/2018	DCHERNIAK	Printed copies of bank statements for accountant;	1.00	\$100.00	\$100.00
20/02/2018	BGELMAN	Discussion with T. McElroy re 2017 fiscal year end accounting;	0.10	\$415.00	\$41.50
20/02/2018	TMCELROY	Discuss prep and timing of year end financials and email to E. Chapman (accountant) re same; Review of utility account statement;	0.40	\$350.00	\$140.00
22/02/2018	TMCELROY	Call with accountant re yearend financial statements; Prepare year end accounting records and forward same to accountant;	0.60	\$350.00	\$210.00
23/02/2018	TMCELROY	Review and respond to several emails from E. Chapman (accountant); Instructions to D. Cherniak re banking matters;	0.50	\$350.00	\$175.00
26/02/2018	TMCELROY	Review and respond to E. Chapman re preparation of financial statements; Review and sign engagement letter;	1.00	\$350.00	\$350.00
27/02/2018	TMCELROY	Review and respond to correspondence from E. Chapman;	0.40	\$350.00	\$140.00
28/02/2018	TMCELROY	Approve deposit;	0.10	\$350.00	\$35.00
<b>Total Fees:</b>					<b>\$4,238.00</b>
<b>HST:</b>					<b>\$550.94</b>

**Summary by Staff:**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP, LIT)	0.20	\$415.00	\$83.00
Daphna Cherniak (Estate Administrator)	1.00	\$100.00	\$100.00
Tom McElroy (Manager, CPA, CA, CBV, CIRP, LIT)	11.70	\$346.58	\$4,055.00

**Disbursements:**

**Non-Taxable Disbursements**

SEARCH FEES: \$8.00

**Taxable Disbursements**

PHOTOCOPIES: \$8.00  
POSTAGE: \$11.00

**Total Disbursements:** \$27.00  
**HST:** \$2.51

**Amount Due This Invoice:** \$4,818.45

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

2497486 Ontario Ltd  
1028 Bloor St West  
Toronto, ON

**Invoice**

**Invoice Date:** Feb 28, 2018  
**Invoice No:** 3142  
**Billing Through:** Feb 28, 2018  
**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd.**

<b>Invoice Summary:</b>	
TOTAL FEES AND DISBURSEMENTS:	\$4,265.00
TOTAL HST:	\$553.45
<b>TOTAL AMOUNT DUE:</b>	<b>\$4,818.45</b>

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



2497486 Ontario Ltd  
c/o Albert Gelman Inc., Court-Appointed Liquidator  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2

**Invoice****Invoice Date:** May 14, 2018**Invoice No:** 3210**Billing Through:** May 11, 2018**File ID:** 1028BLOOR - L:**Re: Liquidation of 2497486 Ontario Ltd.****Professional Fees:**

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/03/2018	TMCELROY	Convert Liquidator's accounts to Bill of Cost format;	0.30	\$350.00	\$105.00
06/03/2018	TMCELROY	Review of draft fiscal 2017 financial statements and tax return and email to E. Chapman re same; Review and approve solicitors accounts;	0.70	\$350.00	\$245.00
16/03/2018	JALBERT	review tax payable calculation provided by accountant for discussion with Tom	0.10	\$490.00	\$49.00
19/03/2018	TMCELROY	Email to accountant;	0.10	\$350.00	\$35.00
23/03/2018	TMCELROY	Review and executed financial statement documents; Email to P. Martire of FSB Insurance; Email to E. Chapman;	0.90	\$350.00	\$315.00
02/04/2018	TMCELROY	Review of grouping schedule and journal entries; Email to E. Chapman; E mail to counsel; Emails from E. Chapman; Approve disbursements; Draft letter to CRA;	1.40	\$350.00	\$490.00
11/04/2018	TMCELROY	Review CRA notice of assessment; Approve disbursement;	0.20	\$350.00	\$70.00
13/04/2018	TMCELROY	Begin drafting Liquidator's Second Report to Court;	4.90	\$350.00	\$1,715.00
16/04/2018	TMCELROY	Review and respond to electronic correspondence from Insurance broker; Email to J. Yip (CIBC);	0.30	\$350.00	\$105.00
04/05/2018	TMCELROY	Email to C. Placido (onyx fire);	0.10	\$350.00	\$35.00
09/05/2018	TMCELROY	Review of status of administration; Discuss next steps with J. Albert and B. Gelman;	0.50	\$350.00	\$175.00
09/05/2018	BGELMAN	call with Tom McElroy re clearance certificate and next steps;	0.30	\$415.00	\$124.50
09/05/2018	JALBERT	TC Tom on status and next steps	0.30	\$490.00	\$147.00
10/05/2018	TMCELROY	Discussions with counsel re next steps re liquidation administration; Prepare interim statement of receipts and disbursements for presentation to shareholders;	1.30	\$350.00	\$455.00
<b>Total Fees:</b>					<b>\$4,065.50</b>
<b>HST:</b>					<b>\$528.52</b>

**Summary by Staff:**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	0.30	\$415.00	\$124.50
Joe E. Albert (Principal, CIRP, CPA, DIFA, LIT)	0.40	\$490.00	\$196.00
Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT)	10.70	\$350.00	\$3,745.00

**Disbursements:****Taxable Disbursements**

2497486 Ontario Ltd  
c/o Albert Gelman Inc., Court-Appointed Liquidator  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2

**Invoice**

**Invoice Date:** May 14, 2018

**Invoice No:** 3210

**Billing Through:** May 11, 2018

**File ID:** 1028BLOOR - L:

**Re: Liquidation of 2497486 Ontario Ltd.**

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**Disbursements:**

PHOTOCOPIES: \$0.84  
POSTAGE: \$1.34

**Total Disbursements:** \$2.18

**HST:** \$0.29

**Amount Due This Invoice:** \$4,596.49

**Invoice Summary:**

TOTAL FEES AND DISBURSEMENTS:	\$4,067.68
TOTAL HST:	\$528.81
<b>TOTAL AMOUNT DUE:</b>	<b>\$4,596.49</b>

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



2497486 Ontario Ltd  
1028 Bloor St West  
Toronto, ON

## Invoice

**Invoice Date:** Sep 20, 2018

**Invoice No:** 3407

**Billing Through:** Sep 20, 2018

**File ID:** 1028BLOOR - L:

**Re: 2497486 Ontario Ltd**

### Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
14/05/2018	TMCELROY	Convert Liquidator's accounts to Bill of Cost format;	0.30	\$350.00	\$105.00
15/05/2018	DCHERNIAK	Term deposit adjustments;	0.50	\$100.00	\$50.00
15/05/2018	TMCELROY	Finalize interim SRD; Correspondence with counsel;	0.60	\$350.00	\$210.00
15/05/2018	JALBERT	Discussion with T. McElroy on lack of response of equity shareholders for distribution of funds; Review draft email of counsel and draft interim R&D in relation to same;	0.30	\$490.00	\$147.00
28/05/2018	TMCELROY	Approve disbursement;	0.10	\$350.00	\$35.00
29/05/2018	DCHERNIAK	Bank Rec's from Sep 2017 to May 2018;	1.00	\$100.00	\$100.00
04/06/2018	TMCELROY	Discuss with P. Cho proposed claims process to determine quantum of related party claims and equity claims;	0.50	\$350.00	\$175.00
19/06/2018	DCHERNIAK	Renewed Term deposit;	0.10	\$100.00	\$10.00
24/06/2018	JALBERT	Review of draft of equity claims order;	0.30	\$490.00	\$147.00
05/07/2018	TMCELROY	Review and approve accounts of solicitor; Draft letter to P. Cho;	0.20	\$350.00	\$70.00
16/07/2018	JALBERT	Discuss with T. McElroy process for settling claims and equity interests and if "equity claim" needs to be considered in distribution order	0.30	\$490.00	\$147.00
17/07/2018	TMCELROY	Consideration of non-arm's length claims process; Review and suggested revisions to draft non-arm's length claims process order; Correspondence with P. Cho;	3.10	\$350.00	\$1,085.00
18/07/2018	JALBERT	Discuss process with T. McElroy for equity/share interests to be proven through court process;	0.20	\$490.00	\$98.00
18/07/2018	TMCELROY	Discussions with P. Cho re claims process re non-arm's length parties; Email to E. Chapman (external accountant) re shareholder loan account GL details;	0.60	\$350.00	\$210.00
31/08/2018	TMCELROY	Review of revised draft form of Order prepared by counsel; Continue drafting report to Court;	3.00	\$350.00	\$1,050.00
11/09/2018	TMCELROY	Call with counsel to discuss draft form of Order, Liquidator's report and next steps;	0.30	\$350.00	\$105.00
14/09/2018	TMCELROY	Finalize draft version of Court report and forward same to Counsel for comments;	2.00	\$350.00	\$700.00
18/09/2018	JALBERT	Review, amendments and comments on draft Liquidator's second report;	0.60	\$490.00	\$294.00
18/09/2018	TMCELROY	Review J. Albert comments re Second Report; Amendments to draft Second Report and forward same to counsel for comments;	0.50	\$350.00	\$175.00
20/09/2018	TMCELROY	Convert Liquidator's accounts to Bill of Cost format;	0.30	\$350.00	\$105.00

2497486 Ontario Ltd  
1028 Bloor St West  
Toronto, ON

**Invoice**

**Invoice Date:** Sep 20, 2018  
**Invoice No:** 3407  
**Billing Through:** Sep 20, 2018  
**File ID:** 1028BLOOR - L:

**Re: 2497486 Ontario Ltd**

**Total Fees:** \$5,018.00  
**HST:** \$652.34

**Summary by Staff:**

Daphna Cherniak (Estate Administrator)  
Joe E. Albert (Principal, CPA, CA, DIFA, CIRP, LIT)  
Tom McElroy (Mgr, CPA, CA, CBV, CIRP, LIT)

Hours	Rate	Amount
1.60	\$100.00	\$160.00
1.70	\$490.00	\$833.00
11.50	\$350.00	\$4,025.00

**Disbursements:**

**Taxable Disbursements**

PHOTOCOPIES: \$0.50  
POSTAGE: \$1.68

**Total Disbursements:** \$2.18  
**HST:** \$0.29

**Amount Due This Invoice:** \$5,672.81

<b>Invoice Summary:</b>	
TOTAL FEES AND DISBURSEMENTS:	\$5,020.18
TOTAL HST:	\$652.63
<b>TOTAL AMOUNT DUE:</b>	<b>\$5,672.81</b>

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

HST No. 83741 9514 RT 0001

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

# **APPENDIX “O”**

Court File No. CV-17-11740-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

BETWEEN:

**ABBAS MOHAMMAD**

Applicant

and

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and**  
**2497486 ONTARIO LTD.**

Respondents

**AFFIDAVIT OF MARK LIEBERMAN**  
**(AFFIRMED OCTOBER 23, 2018)**

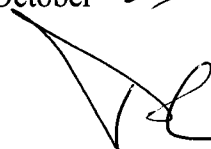
I, **Mark Lieberman**, of the City of Toronto, in the Province of Ontario,

**AFFIRM:**

1. I am a partner in the law firm of Kronis, Rotsztain, Margles, Cappel LLP (“**KRMC**”), lawyers for Albert Gelman Inc. in its capacity as court-appointed liquidator (the “**Liquidator**”) of 2497486 Ontario Ltd. (the “**Company**”). Where I do not have personal knowledge of the matters set out below, I state the source of my information and verily believe such information to be true.
2. On June 20, 2017, pursuant to the Order of the Honourable Justice Conway (the “**Appointment Order**”), Albert Gelman Inc. was appointed as Liquidator of the Company.
3. As permitted by the Appointment Order, Albert Gelman Inc. retained our firm to act as its counsel in carrying out its mandate as Liquidator.



This is Exhibit "A" referred to in the Affidavit of Mark Lieberman  
affirmed October 23, 2018



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

PHILIP CHO

Account Period	Fees	Disbursements	HST	Account Total (including taxes)	Hours and Rates Lawyers/Law Clerks
Oct 18/17 to Nov 30/17	11,957.50	445.14	1,591.55	13,994.19	PC = 13.10 @ \$450.00 per hour DT = 15.70 @ \$375.00 per hour KB = 1.00 @ \$175.00 per hour (law clerk)
Dec 1/17 to Feb 28/18	945.00	193.35	139.03	1,278.06	PC = 2.10 @ \$450.00 per hour
Mar 1/18 to May 31/18	945.00		122.85	1,067.85	PC = 2.10 @ \$450.00 per hour
Jun 1/18 to Jun 30/18	1,575.00		204.75	1,779.75	PC = 3.50 @ \$450.00 per hour
Jul 1/18 to Sept 30/18	1,485.00		193.05	1,678.05	PC = 3.30 @ \$450.00 per hour
PC=Philip Cho DT=Dov Tal KB = Kelly Barrett (Law Clerk)					

ALBERT GELMAN INC.  
100 Simcoe Street  
Suite 125  
Toronto, Ontario  
M5H 3G2  
Attn: Tom McElroy

**INVOICE #:** 317185  
**FILE #:** 119958

December 6, 2017

**Re: Albert Gelman Inc. re: Liquidation of 2497486 Ontario Ltd.**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter including:

Date	Description	Hours	Amount	Lawyer
Oct 18/17	Telephone conversation with T. McElroy re First Report and fee affidavit and claims procedure; email correspondence with T. McElroy re claims procedure and draft First Report;	0.30	\$135.00	PCho
	Continue revisions to claims procedure order and schedules; review and revise fee affidavits; email correspondence with T. McElroy re claims procedure and AVO;	2.60	\$1,170.00	PCho
Oct 19/17	Review and implement suggested revisions from T. McElroy; email correspondence with T. McElroy re service on secured creditor and finalizing motion record	1.50	\$675.00	PCho
	Email correspondence with D. Fogel re position of his client on proposed sale transaction	0.20	\$90.00	PCho
Oct 24/17	Conference call with T. McElroy, D. Fogel and R. Hanna re AVO and claims procedure order	0.80	\$360.00	PCho
	Discussion with K. Balog re response to requisition letter	0.20	\$75.00	DT

Oct 26/17	Review draft response to requisition letter, including attached draft documents to be signed by purchaser	0.40	\$150.00	DT
Oct 27/17	Review and amend requisition response letter; telephone conversation with lawyer for purchaser re form of AVO; review and amend final form of draft order	0.60	\$270.00	PCho
Oct 30/17	Preparation for motion for AVO and Claims Order; Attend motion for AVO and Claims Order; telephone conversation with K. Balog re declaration of residency for closing of transaction	2.70	\$1,215.00	PCho
	Review of Approval and Vesting Order, including endorsement re pending sale, including office discussion with K. Balog re pending sale	0.40	\$150.00	DT
Nov 07/17	Meeting with K. Balog re AVO and Liquidator's Certificate to be delivered and filed on closing	0.30	\$135.00	PCho
Nov 13/17	Various office discussions with K. Balog re closing matters	0.40	\$150.00	DT
Nov 14/17	Review file, including Agreement of Purchase and Sale and Leases re requisition letter from purchaser's solicitor and re response letter to requisitions to be sent to purchaser's solicitor; review response letter, including making revisions thereto; final review draft documents to be sent to purchaser's solicitor e closing	1.00	\$375.00	DT
	Various office discussions with K. Balog re closing and transaction matters	0.50	\$187.50	DT
Nov 15/17	Meeting with K. Barrett re closing requirements	0.40	\$180.00	PCho
Nov 16/17	Meeting with D. Tal, K. Balog and K. Barrett re transaction closing matters; review and revise statutory declaration re non-residency	0.90	\$405.00	PCho
	Meeting with K Barrett, P. Cho and K. Balog re transaction matters, Vesting Order and pending closing, including review of declaration re non-residency	0.90	\$337.50	DT

	Review e-mail from K. Barrett re revised Statutory declaration re non-residency, including, review of revised statutory declaration re non-residency	0.20	\$75.00	DT
	Meeting with P. Cho and D. Tal re registration of AVO and closing; revising Statutory Declaration; email to T. McElroy attaching revised Statutory Declaration	0.80	\$140.00	KB
Nov 22/17	Correspondence from H. Waldman re requesting extension of closing date; telephone conversation with T. McElroy re same; meeting with D. Tal and K. Balog re same	0.50	\$225.00	PCho
	Attending to preparing closing, including various phone discussions with client, various office discussions with K. Balog. Review of closing documentation, including leases. Office discussions with P. Cho; phone discussion with client re request for extension by purchaser's solicitor; phone discussion re extension with purchaser's solicitor	2.90	\$1,087.50	DT
Nov 23/17	Meeting with D. Tal re issues arising on closing and possible extension; telephone conversation with H. Waldman re closing and assignment of lease	1.50	\$675.00	PCho
	Attending to all closing matters, including review of commercial and residential Leases, tenancy matters, statement of adjustments, requisition letter, respond to requisitions, phone discussions and email correspondence with client, phone discussions with purchaser's lawyer, email correspondence and negotiation with purchaser's lawyer re closing; office discussions with K. Balog re closing matters; preparation and review of additional closing documentation, including assignment of leases and Notice of Direction to Tenants re leases; various office discussions with P. Cho re closing matters and tenant lease matters, including attending to Teraview matters re closing	6.50	\$2,437.50	DT

Nov 24/17	Review and approve disbursement of funds to receiver; telephone conversation with T. McElroy re closing of transaction and Liquidator's Certificate	0.50	\$225.00	PCho
	Attending to various closing matters, including Teraview, email correspondence with client, email correspondence with purchaser's solicitor re closing; various discussions with K. Balog re closing matters, office discussions with P. Cho re closing matters, specifically land transfer tax and registration matters	1.70	\$637.50	DT
Nov 25/17	Review email from client re liquidator's certificate	0.20	\$75.00	DT
Nov 27/17	Email correspondence with H. Waldman re delivery of Liquidator's Certificate; email correspondence with D. Fogel and R. Hanna re completion of sale and beginning of claims procedure	0.30	\$135.00	PCho
	Review email from K. Barrett re Liquidator's certificate	0.20	\$75.00	DT
	memo to process server re filing Liquidator's Certificate	0.20	\$35.00	KB
Nov 29/17	Review email from purchaser's solicitor re original closing documents	0.20	\$75.00	DT

<b>Our Fee</b>	\$11,957.50	
<b>HST on Fees</b>	<u>\$1,554.48</u>	
<b>TOTAL FEES AND HST</b>		\$13,511.98

**DISBURSEMENTS**

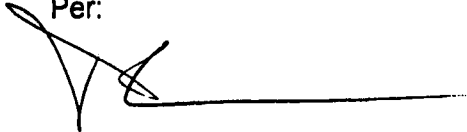
*tax exempt	
Copying	\$187.25
Court fees*	\$160.00
Telephone expenses	\$7.18
Travel expenses	\$10.71
Bank charges	\$15.00
Transaction levy (real estate)	<u>\$65.00</u>
<b>Subtotal</b>	\$445.14
<b>HST on Disbursements</b>	<u>\$37.07</u>

\$482.21

<b>TOTAL FEES, DISBURSEMENTS, AND HST</b>	<b>\$13,994.19</b>
Outstanding accounts receivable	\$00.00
Less: transfer of trust monies	\$00.00
<b>BALANCE NOW DUE AND OWING</b>	<b><u>\$13,994.19</u></b>

THIS IS OUR ACCOUNT HEREIN  
**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**

Per:



Philip Cho

/kb

E.&O.E.

Our HST Registration #: 11942 8514 RT0001

Accounts are due when rendered. In accordance with Section 33 of the Solicitors Act, interest will be charged at the rate of 0.8% per annum on all outstanding amounts after 30 days from the invoice date.

# KRMC

**Kronis, Rotsztain,  
Margles, Cappel LLP**

Barristers and Solicitors

25 Sheppard Avenue West  
Suite 1100, Toronto, ON  
Canada, M2N 6S6  
Telephone: (416) 225-8750  
Facsimile: (416) 225-7214

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

Invoice #: 323064

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**File #:** 119958

March 6, 2018

**Re:** Albert Gelman Inc. re: Receivership of 2497486 Ontario Ltd.

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter including:

<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>	<b>Lawyer</b>
Nov 30/17	Receipt and review proof of claim package; email correspondence with T. McElroy re service of proof of claim package on applicant and respondents and newspaper publications	0.40	\$180.00	PCho
Jan 17/18	Email correspondence with T. McElroy re expiry of claims period	0.20	\$90.00	PCho
Jan 19/18	Telephone conversation with T. McElroy re status of claims process and next steps	0.50	\$225.00	PCho
Jan 24/18	Email correspondence with D. Fogel and R. Hanna re request for conference call	0.20	\$90.00	PCho
Jan 25/18	Telephone conversation with R. Hanna re proposed process to deal with equity claims	0.20	\$90.00	PCho
Jan 31/18	Telephone conversation with R. Hanna and D. Fogel re process to deal with equity claims	0.40	\$180.00	PCho
Feb 16/18	Email correspondence with D. Fogel and R. Hanna re status of shareholder claims process	0.20	\$90.00	PCho

**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**

<b>Our Fee</b>	<b>\$945.00</b>	
<b>HST on Fees</b>	<b><u>\$122.85</u></b>	
<b>TOTAL FEES AND HST</b>		<b>\$1,067.85</b>

**DISBURSEMENTS**

\*tax exempt

Office photocopies	\$2.50	
Process Server's fees	\$100.00	
Discharge fees -PPSA	\$16.60	
Teraview Registration	\$10.60	
Teraview Registration (disbursement)*	<u>\$63.65</u>	
<b>Subtotal</b>	<b>\$193.35</b>	
<b>HST on Disbursements</b>	<b><u>\$16.86</u></b>	<b><u>\$210.21</u></b>

**TOTAL FEES, DISBURSEMENTS, AND HST** **\$1,278.06**

Outstanding accounts receivable	\$ 00.00
Less: transfer of trust monies	<u>\$ 00.00</u>

**BALANCE NOW DUE AND OWING** **\$1,278.06**

THIS IS OUR ACCOUNT HEREIN  
**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**  
 Per:



Philip Cho

/kb

E.&O.E.

Our HST Registration #: 11942 8514 RT0001

Accounts are due when rendered. In accordance with Section 33 of the Solicitors Act, interest will be charged at the rate of 1.3% per annum on all outstanding amounts after 30 days from the invoice date.

<b>FEE SUMMARY</b>			
<b>Lawyer</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Philip Cho	2.10	\$450	\$945.00

# KRMC

**Kronis, Rotsztain,  
Margles, Cappel LLP**  
Barristers and Solicitors

25 Sheppard Avenue West  
Suite 1100, Toronto, ON  
Canada, M2N 6S6  
Telephone: (416) 225-8750  
Facsimile: (416) 225-7214

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

Invoice #: 329034

**File #:** 119958

May 31, 2018

**Re:** Albert Gelman Inc. re: Liquidation of 2497486 Ontario Ltd.

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter including:

Date	Description	Hours	Amount	Lawyer
Feb 26/18	Telephone conversation with R. Hanna re status of Applicant's position on equity claims	0.20	\$90.00	PCho
Feb 27/18	Telephone conversation with T. McElroy re status of distributions and next motion date	0.20	\$90.00	PCho
Apr 02/18	Email correspondence with T. McElroy re status of shareholder decisions on distribution of equity; email correspondence with counsel re same	0.30	\$135.00	PCho
Apr 26/18	Telephone conversation with R. Hanna re status of discussions with D. Fogel	0.20	\$90.00	PCho
May 09/18	Email correspondence with T. McElroy re status of position of D. Fogel's client	0.20	\$90.00	PCho
May 10/18	Telephone conversation with T. McElroy re proposing process if no resolution amongst shareholders	0.30	\$135.00	PCho
May 14/18	Telephone conversation with R. Hanna re status and proposed next steps	0.20	\$90.00	PCho
	Draft correspondence to counsel for equity stakeholders re claims process	0.30	\$135.00	PCho
May 15/18	Email correspondence with T. McElroy re timing to begin preparing equity claims process; email correspondence with counsel for shareholders re same	0.20	\$90.00	PCho

**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**

<b>Our Fee</b>	\$945.00	
<b>HST on Fees</b>	<u>\$122.85</u>	
<b>TOTAL FEES AND HST</b>		<b><u>\$1,067.85</u></b>

THIS IS OUR ACCOUNT HEREIN  
**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**  
Per:



Philip Cho

/kb

E.&O.E.

Our HST Registration #: 11942 8514 RT0001

Accounts are due when rendered. In accordance with Section 33 of the Solicitors Act, interest will be charged at the rate of 1.3% per annum on all outstanding amounts after 30 days from the invoice date.

**KRMC**

**Kronis, Rotsztain,  
Margles, Cappel LLP**  
Barristers and Solicitors

25 Sheppard Avenue West  
Suite 1100, Toronto, ON  
Canada, M2N 6S6  
Telephone: (416) 225-8750  
Facsimile: (416) 225-7214

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

Invoice #: 331233

**File #: 119958**

July 4, 2018

**Re: Albert Gelman Inc. re: Liquidation of 2497486 Ontario Ltd.**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter including:

<b>Date</b>	<b>Description</b>	<b>Hours</b>	<b>Amount</b>	<b>Lawyer</b>
Jun 04/18	Meeting with T. McElroy re proposed equity claims process order	0.80	\$360.00	PCho
Jun 13/18	Drafting non-arms' length and equity claims distribution order; email correspondence with T. McElroy re same	2.20	\$990.00	PCho
Jun 27/18	Email correspondence with counsel re proposed equity claims process order; revise draft equity claims process order	0.50	\$225.00	PCho

<b>Our Fee</b>	\$1,575.00	
<b>HST on Fees</b>	<u>\$204.75</u>	
<b>TOTAL FEES AND HST</b>		<u><b>\$1,779.75</b></u>

THIS IS OUR ACCOUNT HEREIN  
**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**  
Per:



Philip Cho  
/kb  
E.&O.E.

Our HST Registration #: 11942 8514 RT0001

Accounts are due when rendered. In accordance with Section 33 of the Solicitors Act, interest will be charged at the rate of 1.3% per annum on all outstanding amounts after 30 days from the invoice date.

**KRONIS, ROTSZTAIN, MARGLES, CAPPEL LLP**

<b>FEE SUMMARY</b>			
<b>Lawyer</b>	<b>Hours</b>	<b>Rate</b>	<b>Total</b>
Philip Cho	3.50	\$450	\$1,575.00

# KRMC

**Kronis, Rotsztain,  
Margles, Cappel LLP**  
Barristers and Solicitors

25 Sheppard Avenue West  
Suite 1100, Toronto, ON  
Canada, M2N 6S6  
Telephone: (416) 225-8750  
Facsimile: (416) 225-7214

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

Invoice #: 337624

**File #: 119958**

October 2, 2018

**Re: Albert Gelman Inc. re: Liquidation of 2497486 Ontario Ltd.**

TO PROFESSIONAL SERVICES RENDERED on your behalf in connection with the above-noted matter including:

Date	Description	Hours	Amount	Lawyer
Jul 05/18	Telephone conversation with R. Hanna re draft equity claims process order	0.20	\$90.00	PCho
Jul 10/18	Telephone conversation with R. Hanna re proposed equity claims order	0.30	\$135.00	PCho
Jul 17/18	Email correspondence with T. McElroy re revisions to draft equity claims order; review and revise draft equity claims order	0.50	\$225.00	PCho
Jul 18/18	telephone conversation with T. McElroy re draft order and claims process	0.30	\$135.00	PCho
Aug 15/18	Revise non-arms length claims bar order	0.60	\$270.00	PCho
Aug 16/18	Telephone conversation with D. Fogel re proposed claims process	0.30	\$135.00	PCho
Sep 07/18	Email correspondence with T. McElroy re follow up on review of proposed order	0.20	\$90.00	PCho
Sep 11/18	Telephone conversation with T. McElroy re draft order and date for hearing	0.30	\$135.00	PCho
Sep 12/18	Email correspondence with D. Fogel and R. Hanna re motion dates to request equity claims order	0.20	\$90.00	PCho
Sep 21/18	Email correspondence with counsel re dates for hearing	0.20	\$90.00	PCho



# TAB 3

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

THE HONOURABLE	)	MONDAY , THE 29 <sup>th</sup>
	)	
JUSTICE	)	DAY OF OCTOBER, 2018

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**ORDER**  
**(Non-Arms' Length Claims Procedure and Bar Order)**

THIS MOTION, made by Albert Gelman Inc. in its capacity as court-appointed liquidator (the "**Liquidator**") without security, of all of the assets, undertakings and properties of 2497486 Ontario Ltd.. (the "**Company**") for, among other things, an order approving and establishing a procedure for the resolution and barring of certain claims against the Company was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Second Report of the Liquidator dated October 23, 2018, and on hearing the submissions of the lawyers for the Liquidator, the Applicant and the Respondents (except the Company):

**DEFINITIONS**

1. THIS COURT ORDERS that the following terms in this Order shall have the following meanings ascribed to them:

- (a) **“Appointment Order”** means the Order of Madam Justice Conway dated June 20, 2017 in the OBCA Proceeding;
- (b) **“Business Day”** means a day which is not: (a) a Saturday or a Sunday; or (b) a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable in the Province of Ontario;
- (c) **“Claim”** means any right or claim of any Party that may be asserted or made in whole or in part against the Company, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest that may accrue thereon in which there is an obligation to pay, and costs which such Party would be entitled to receive pursuant to the terms of any contract with such Party at law or in equity, any right of ownership of or title to property or assets or to a trust or deemed trust (statutory or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any Party to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which exist prior to the Determination Date, together with any other rights or claims, whether or not asserted, made after the Determination Date, in any way, directly or indirectly related to any action taken or power exercised prior to the Determination Date;

- (d) **“Claims Procedure”** means the non-arms’ length and equity claims solicitation procedure and schedules set out herein, as may be amended from time to time;
- (e) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (f) **“Creditor”** means any Party having a Claim and, if the context requires, an assignee or transferee of a Claim or a trustee, receiver, receiver-manager or other Party acting on behalf of such Party;
- (g) **“Determination Date”** means the date that is 30 days from the date of this Order;
- (h) **“Dollars”** or **“\$”** means lawful money of Canada unless otherwise indicated;
- (i) **“Equity Claim”** has the meaning as set out in the *Bankruptcy and Insolvency Act* (Canada);
- (j) **“Net Proceeds”** means all funds held by the Liquidator, less the reasonable fees and disbursements for the Liquidator and its counsel, any and all disbursements, any distributions authorized by the Court, and a reasonable reserve sufficient for the Liquidator to complete its mandate and be discharged by this Court;
- (k) **“Notice of Determination”** means the notice substantially in the form attached hereto as **Schedule “B”**;
- (l) **“Notice of Dispute”** means a notice given by a Creditor to the Liquidator advising the Liquidator of the Creditor’s objection to the Liquidator’s Notice of Determination;
- (m) **“OBCA”** means the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended;
- (n) **“OBCA Proceeding”** means the proceedings before the Court in respect of the application by the Applicant commenced pursuant to the OBCA;
- (o) **“Order”** means any order of the Court in connection with the OBCA Proceeding;

- (p) **“Party” or “Parties”** means any one or more of the parties to the OBCA Proceeding, except the Company;
- (q) **“Proof of Claim”** means the form to be completed and filed by a Creditor setting forth its proposed Claim, substantially in the form attached hereto as **Schedule “A”**;
- (r) **“Records”** has the meaning set out in the Appointment Order;

#### **NOTICE OF NON-ARM’S LENGTH CLAIMS**

2. THIS COURT ORDERS that unless the Liquidator has received a Proof of Claim from any of the Parties on or before 11:59 p.m. (Toronto time) on the Determination Date, the Liquidator is authorized and directed to distribute the Net Proceeds as follows:

- (a) \$217,123.13 to Abbas Mohammad (**“Mohammad”**) in full and final satisfaction of his shareholder loan claim;
- (b) \$125,411.57 to Stephen Celestial (**“Celestial”**) in full and final satisfaction of his shareholder loan claim;
- (c) \$106,900.00 to Mustafa Ismael (**“Ismael”**) in full and final satisfaction of his shareholder loan claim;
- (d) the balance of the Net Proceeds to be distributed to each of the Parties in accordance with the percentage of each Party’s shareholding, which for greater certainty shall be: 50% to Mohammad; 25% to Celestial; and 25% to Ismael;

as soon as is practicable after the Determination Date, in full and final satisfaction of any and all Claims that each Party may have.

#### **DETERMINATION OF NON-ARM’S LENGTH CLAIMS**

3. THIS COURT ORDERS that if the Liquidator receives a Proof of Claim from any Party on or before the Determination Date, the Liquidator shall review such Proof of Claim received

and shall review the nature of the Claim set out therein and may investigate the Records and request further evidence or information from the Parties, as appropriate, to determine the validity of the Party's Claim and reconcile same with each other Party's Claim(s) and the Company's Records.

4. THIS COURT ORDERS that the Liquidator may attempt to consensually resolve the amount of the Proof of Claim with the Parties or, upon completion of its investigation, shall send a Notice of Determination to the Parties as soon as is practicable after the Determination Date.

5. THIS COURT ORDERS that any Party that objects to the Notice of Determination, shall deliver to the Liquidator a Notice of Dispute within 15 days of the issuance of the Notice of Determination, or, if no Party delivers the Notice of Dispute within such time, the value of such Parties' respective Claims shall be deemed to be final and binding as set out in the Notice of Determination.

6. THIS COURT ORDERS that any Party who delivers a Notice of Dispute to the Liquidator in accordance with this Order, shall, unless otherwise agreed by the Liquidator in writing, by no later than 5:00 p.m. (Toronto time) on the day that is 15 days after the service of the Notice of Dispute, serve, and file with this Court, a Notice of Motion seeking to appeal the Liquidator's determination, returnable on a date to be fixed by this Court, and in any event, no later than 60 days from the date of the service of the Notice of Motion. If a Notice of Motion seeking to appeal is not filed within such period, then the Notice of Determination shall, subject to further order of this Court, be deemed to be final and binding.

7. THIS COURT ORDERS that if a Notice of Determination is deemed to be final and binding in accordance with this Order, then the Liquidator is hereby authorized and directed to pay the Net Proceeds in accordance with such Notice of Determination as soon as reasonably practicable, in full and final satisfaction of any and all Claims that each Party may have.

**GENERAL PROVISIONS**

8. THIS COURT ORDERS that notwithstanding paragraphs 2 and 7 of this Order, the Liquidator shall not be required to make any distribution to any Party, until such time as it has received a certificate from Canada Revenue Agency (“CRA”) certifying that the Liquidator is not liable to pay any additional amounts to CRA in its capacity as Liquidator of the Company, which certificate is commonly referred to as a “Clearance Certificate”.

9. THIS COURT ORDERS that the Liquidator is authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which Proofs of Claim and the Notice of Determination are completed and executed.

10. THIS COURT ORDERS that any document to be sent to a Party pursuant to this Claims Procedure may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission to the Party’s counsel, and any such document shall be deemed to have been received five (5) business days after such document is sent by ordinary mail or registered mail and one business day after such document is sent by e-mail, courier or facsimile transmission.

11. THIS COURT ORDERS that any notice or other communication to be given under this Order by a Party to the Liquidator shall be in writing in substantially the form, if any, provided for in this Order, and will be sufficiently given only if delivered by registered mail, courier, personal delivery, facsimile transmission, or e-mail addressed to:

**Albert Gelman Inc. in its capacity as court-appointed liquidator  
of 2497486 Ontario Ltd.**

100 Simcoe Street

Suite 125

Toronto, ON M5H 3G2

**Attention: Tom McElroy**

Phone: 416.504-1650 ext. 117

Fax: 416.504.1655

Email: [tmcelroy@albertgelman.com](mailto:tmcelroy@albertgelman.com).

12. THIS COURT ORDERS that the following Schedules form part of this Order:

- (a) **Schedule “A”** – Proof of Claim; and,
- (b) **Schedule “B”** – Notice of Determination.

13. THIS COURT ORDERS that, notwithstanding the terms of this Order, the Liquidator may apply to this Court from time to time for such further order or orders as it considers necessary or desirable to amend, supplement or replace this Order.

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**Schedule "A" – PROOF OF CLAIM**

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
*Ontario Business Corporations Act, R.S.O., Chapter B-16***

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**PROOF OF CLAIM**

I, \_\_\_\_\_, a party to these proceedings, MAKE OATH AND SAY:

**A. PARTICULARS OF THE CLAIMANT(S):**

(1) Full Legal Name of Claimant(s) (*include if claim is being made through a holding or related corporation*):

--

**B. PARTICULARS OF CLAIM**

The undersigned disagrees with the proposed distribution of the Net Proceeds and claims the following amounts based on the following particulars (*for each category below, set out particular facts setting out the nature of the claims and include any supporting documentation, including copies of cheques, bank draft, money orders, wire transfers, etc., loan documents, promissory notes or other agreement(s) giving rise to the claim and particulars of any claim*):

<p><b>Shareholder Loan Claim</b> (<i>describe details of why the shareholder account is disputed and indicate the amount claimed</i>):</p>
--

[Empty rectangular box]

**Other Claims** *(describe the details of other claims asserted as against the Company, whether derivative or direct, and indicate the amounts claimed):*

[Empty rectangular box]

**Equity Claims** *(describe the details of why the equity claim is disputed, and indicate the amount claimed):*

[Empty rectangular box]

**SWORN BEFORE ME** at the \_\_\_\_\_ )  
 \_\_\_\_\_, in the \_\_\_\_\_ )  
 Province of \_\_\_\_\_ )  
 this \_\_\_\_ day of \_\_\_\_\_, 2018 )

\_\_\_\_\_  
 A Commissioner , or Notary Public, etc.

\_\_\_\_\_  
*Name of Deponent:*

**SCHEDULE "B" - NOTICE OF DETERMINATION****Notice of Determination**

Albert Gelman Inc., in its capacity as Liquidator of 2497486 Ontario Ltd. (the "Liquidator"), hereby gives you notice that it has reviewed your Proof of Claim and has made the following determination:

**A) Determination of claims:**

<b>Type of Claim</b>	<b>Abbas Mohammad</b>	<b>Stephen Celestial</b>	<b>Mustafa Ismael</b>
Shareholder loans			
Other claims (if any):			
Equity claims			

**B) Basis of Determination:**

Based on the Liquidator's investigation, the Liquidator determined that:

1. *Set out basis of determination...*

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**ALBERT GELMAN INC.,**  
in its capacity as Court Appointed Liquidator of  
2497486 Ontario Ltd. and not in its personal  
capacity  
Per:

---

TOM MCELROY  
100 Simcoe Street, Suite 125  
Toronto, ON M5H 3G2  
Phone: (416) 504-1650 Ext. 117  
Fax: (416) 504-16555  
Email: [tmcelory@albertgelman.com](mailto:tmcelory@albertgelman.com)

# TAB 4

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**  
*Ontario Business Corporations Act, R.S.O., Chapter B-16*

THE HONOURABLE	)	MONDAY , THE 29 <sup>th</sup>
	)	
JUSTICE	)	DAY OF OCTOBER, 2018

**ABBAS MOHAMMAD**

Applicant

- and -

**STEPHEN CELESTIAL, MUSTAFA ISMAEL and  
2497486 ONTARIO LTD.**

Respondents

**ORDER**  
**(Approval of Second Report, Fees and  
Statement of Interim Receipts and Disbursements)**

THIS MOTION, made by Albert Gelman Inc. in its capacity as court-appointed liquidator (the “**Liquidator**”) without security, of all of the assets, undertakings and properties of 2497486 Ontario Ltd.. (the “**Company**”) for an order approving the Second Report of the Liquidator dated October 22, 2018 (the “**Second Report**”), as well as the actions and activities described therein, the fees and disbursements of the Liquidator and its counsel, and the interim statement of receipts and disbursements of the Liquidator was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Second Report of the Liquidator dated October 23, 2018, and on hearing the submissions of the lawyers for the Liquidator, the Applicant and the Respondents (except the Company):

1. **THIS COURT ORDERS** that the Second Report of the Liquidator, and the actions and activities of the Liquidator as described therein, be and are hereby approved.
  
  2. **THIS COURT ORDERS** that the fees and disbursements of the Liquidator and its counsel, as set out in the Affidavit of Tom McElroy sworn on October 23, 2018 and the Affidavit of Mark Lieberman sworn on October 23, 2018, appearing as Appendices “N” and “O”, respectively, in the Second Report, be and are hereby approved.
  
  3. **THIS COURT ORDERS** that the Liquidator’s Interim Statement of Receipts and Disbursements as at October 22, 2018, appearing as Appendix “M” in the Second Report, be and is hereby approved.
-

**ABBAS MOHAMMAD**

Applicant

-and-

**STEPHEN CELESTIAL, MUSTAFA ISMAEL AND 2497486  
ONTARIO LTD.**

Respondents

Court File No. CV-17-11740-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**MOTION RECORD OF ALBERT GELMAN INC.,  
COURT-APPOINTED LIQUIDATOR OF  
2497486 ONTARIO INC.  
(MOTION RETURNABLE OCTOBER 29, 2018)**

**KRONIS ROTSZTAIN MARGLES CAPPEL LLP**  
25 Sheppard Avenue West, Suite 1100  
Toronto ON M2N 6S6

Philip Cho (45615U)  
pcho@krmc-law.com  
Tel: (416) 218-5494  
Fax: (416) 225-3910

Lawyers for Albert Gelman Inc., court-appointed  
Liquidator for 2497486 Ontario Inc.