

Court File No. BK-22-02822607-0031
Estate File No. 31-2822607

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE PROPOSAL OF KUK-ILL JOHN KIM

AND IN THE MATTER OF THE PROPOSAL OF MYOUNG-JA KIM

FIFTH REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE

Dated: April 11, 2023

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**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

**In the Matter of the Notice of Intention to
Make a Proposal of Kuk-Il John Kim**

**and in the Matter of the Notice of Intention to
Make a Proposal of Myoung-Ja Mary Kim**

**FIFTH REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

(Dated April 11, 2023)

I. INTRODUCTION

1. This fifth report ("**Fifth Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with a Notice of Intention to Make a Proposal ("**NOI**") filed by Kuk-Il John Kim ("**John Kim**") and Myoung-Ja Mary Kim ("**Mary Kim**" and, together with John Kim, the "**Debtors**") on April 18, 2022 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Debtors.

2. On April 28, 2022 on a motion made by the Debtors the Honourable Justice Conway granted an order (the "**April 28 Order**") approving, among other things, an administrative consolidation of the Debtors proposal proceedings, an extension of the stay of proceedings afforded under the NOI to July 2, 2022, an administrative charge and authority for the Debtors' to enter into a listing agreement with a real estate agent to list the Real Property. A copy of the April 28 Order and related Endorsement are attached hereto as **Appendix "B"**.

3. The Proposal Trustee prepared a report in respect of the April 28, 2022 motion dated April 27, 2022 (the "**First Report**"). Attached hereto as **Appendix "C"** is a copy of the First Report, without appendices.

4. On June 27, 2022, on a motion made by the Debtors, the Honourable Justice Osborne granted an order (the "**June 27 Order**") approving, among other things, a further extension of the stay of proceedings afforded under the NOI to August 16, 2022. A copy of the June 27 Order and related Endorsement are attached hereto as **Appendix "D"**.

5. The Proposal Trustee prepared a report in respect of the June 27, 2022 motion dated June 22, 2022 (the “**Second Report**”). Attached hereto as **Appendix “E”** is a copy of the Second Report, without appendices.

6. On August 5, 2022, on a motion made by the Debtors, the Honourable Justice Dietrich granted an order (the “**August 5 Order**”) approving, among other things, a further extension of the stay of proceedings afforded under the NOI to September 30, 2022 and the DIP Facility and DIP Charge (both terms defined in the Third Report). A copy of the August 5 Order and related Endorsement are attached hereto as **Appendix “F”**.

7. The Proposal Trustee prepared a report in respect of the August 5, 2022 motion dated August 2, 2022 (the “**Third Report**”). Attached hereto as **Appendix “G”** is a copy of the Third Report, without appendices.

8. On September 28, 2022, on a motion made by the Debtors, the Honourable Justice Osborne granted an Order (the “**September 28 Order**”) approving, among other things, an amendment to certain language in the August 5 Order in respect of the DIP Charge and a further extension of the stay of proceedings afforded under the NOI to October 18, 2022. A copy of the September 28 Order and related Endorsement are attached hereto as **Appendix “H”**.

9. The Proposal Trustee prepared a report in respect of the September 28, 2022 motion dated September 27, 2022 (the “**Fourth Report**”). Attached hereto as **Appendix “I”** is a copy of the Fourth Report, without appendices.

10. On October 18, 2022 each of the Debtors filed a proposal with the Proposal Trustee which it then filed electronically with the Official Receiver on the same day. Attached here to as **Appendices “J”** and “**K”** are the Proposals of John Kim and Mary Kim, respectively. The Proposals of the Debtors contemplate that they will list for sale their only asset, being a 50% interest each in the real property municipally known as 385 Spadina Road, Toronto, Ontario (the “**Real Property**”). The net proceeds from the sale of the Real Property would then be distributed to the Debtors’ creditors. Further details regarding the process of listing and selling the Real Property is set out later in this Fifth Report.

11. The first meeting of each of the Debtors creditors was held on November 8, 2022 (the “**Creditor Meeting**”) and, on a motion made by the creditors, was adjourned to February 8, 2023 (the “**Reconvened Creditor Meeting**”). At the Reconvened Meeting there was a further adjournment, on a motion made by the creditors, to May 8, 2023. Copies of the minutes of both the Creditor Meeting and Reconvened Creditor Meeting are attached hereto as **Appendix “L”**. The primary purpose of adjourning both meeting was to provide additional time to find a purchaser of the Real Property.

12. The Debtors are making a motion to the Court returnable April 17, 2023 (the “**April 17 Motion**”) seeking various relief. This Fifth Report has been prepared in response to and in support of the Debtors’ April 17 Motion.

13. On their April 17 Motion, the Debtors are seeking, amongst other things, an Order:
- a. approving this Fifth Report and the actions and activities of the Proposal Trustee described herein;
 - b. approving and authorizing the Debtors to enter into and carry out the terms of the sale transaction (the “**Transaction**”) contemplated by an Agreement of Purchase and Sale dated February 18, 2023 together with any further amendments thereto deemed necessary by the Debtors in their sole discretion (collectively, the “**Purchase Agreement**”), entered into between the Debtors, as seller, and Joseph Messina, in trust for a company to be incorporated (the “**Purchaser**”), as purchaser, and vesting in the Purchaser, the Debtors’ right, title and interest in and to the real property municipally known as 385 Spadina Road, Toronto, Ontario and legally described as LT 32 PL 861 FOREST HILL; PT LT 31 PL 861 FOREST HILL PT 1 & 3, 64R14057 (defined above as the Real Property). A copy of the Purchase Agreement is attached hereto as **Confidential Appendix “A”**. A redacted version of the Purchase Agreement is included as Exhibit “M” to the Silver Affidavit (defined below).
 - c. increasing the Administration Charge (defined below) from \$125,000 to \$300,000;
 - d. sealing an unredacted version of the Purchase Agreement; and,
 - e. approving the fees of the Proposal Trustee and counsel to the Debtors.
14. The Debtors have included with the April 17 Motion an affidavit sworn on by Silver Kim, the adult son of both Debtors, dated April 10, 2023 (the “**Silver Affidavit**”), in support of the relief being sought. The Proposal Trustee has reviewed the Silver Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.
15. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Debtors at their April 17 Motion.

II. PURPOSE OF THIS REPORT

16. The purpose of this Fifth Report is to:
- a. provide the Court with relevant information pertaining to the Debtors which is not otherwise described in the Silver Affidavit;
 - b. provide the Court with details regarding the process leading to the Transaction;
 - c. provide information to the Court regarding the actions and activities of the Proposal Trustee subsequent to the date of the Fourth Report; and,
 - d. provide the Court with the Proposal Trustee’s recommendations in respect of the relief sought by the Debtors.

III. SCOPE AND TERMS OF REFERENCE

17. In preparing this Fifth Report, the Proposal Trustee has relied upon certain unaudited financial information, the Debtors books and records, discussions with the Debtors, discussions with Silver Kim, discussions with various creditors at the Creditor Meeting and Reconvened Creditor Meeting, discussion with the Debtors' realtor, Stuart Hyman, and discussions with the Debtors' legal counsel, WeirFoulds LLP

18. While the Proposal Trustee has reviewed various documents provided by the Debtors, such review does not constitute an audit or verification of such information for accuracy or completeness.

19. This Fifth Report has been prepared for the use of this Court and the Debtors' stakeholders as general information relating to the Debtors and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Fifth Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Fifth Report contrary to the provisions of this paragraph.

20. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

21. Terms not otherwise defined herein shall have the meanings ascribed to them in either the First Report, Second Report, Third Report or Fourth Report.

IV. ACTIVITIES OF THE PROPOSAL TRUSTEE

22. Since the date of the Fourth Report the Proposal Trustee has undertaken, among other things, the following activities:

- a. assisted the Debtor in preparing their respective proposals to creditors and filing same with the Official Receiver;
- b. attended and chaired the Creditor Meeting and Reconvened Creditor Meeting;
- c. continued to communicate with the Debtors' legal counsel and the Debtors' realtor, Stuart Hyman, regarding the process for marketing and selling the Real Property;
- d. attended informal meetings with the Debtors' legal counsel, legal counsel for certain creditors and the realtor to discuss, among other things, the sales process and Purchase Agreement; and,
- e. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements.

V. SALES PROCESS – REAL PROPERTY

23. Due to the environmental contamination affecting the Real Property the market for the Real Property is unique. Any prospective purchaser would have to be willing to purchase the Real Property with the understanding that upon taking possession there would be additional work required to rectify and remediate any pre-existing environmental contamination. While the Debtors had intended to obtain updated environmental information by engaging an environmental consultant to be funded by the DIP Facility, the DIP Lender declined to continue with the interim financing. As a result, the cost to remediate any environmental contamination is unknown. However, despite the potential issues related to remediating any potential environmental contamination the Realtor (defined below) has advised the Proposal Trustee that there exists a market, albeit limited, for properties of this nature. As a result, the Debtors decided to undertake a process to list a sell the Real Property.

24. Paragraph 14 of the April 28 Order authorized the Debtors to enter into a listing agreement with a realtor for the purposes listing, marketing and selling the Real Property. On November 14, 2022 the Debtors entered into a listing agreement with Re/Max Ultimate Julie Seo Realty & Re/Max Ultimate Realty Inc. (the “**Realtor**”).

25. The Real Property was initially listed on the MLS on December 5, 2022 with a list price of \$1. An offer deadline of December 15, 2022 was set. There were no offers received on the offer deadline. The Realtor continued to receive enquiries subsequent to the offer deadline, however, no offers were received.

26. On the advice of the Realtor the Real Property was relisted on the MLS on February 17, 2023 with a listing price of \$649,000.

27. The Realtor received numerous enquiries about the sale of the Real Property. Specific details regarding the number of legitimate calls fielded by the Realtor, tours of the Real Property conducted by the Realtor and signed NDA’s received by the Realtor is included in the Silver Affidavit;

28. On February 18, 2023 an offer was received from the Purchaser conditional on financing, which offer was accepted by the Debtors on February 24, 2023. This condition was waived by the Purchaser on March 16, 2023. The Purchase Agreement is conditional only on the Court approving the Transaction and vesting in the Purchaser the Debtors’ right, title and interest in and to the Real Property free and clear and clear of any/all encumbrances.

29. The Realtor has advised the Proposal Trustee that the purchase price is fair and reasonable given the issues related to environmental contamination and ongoing litigation surrounding same. The Realtor has further advised the Proposal Trustee that it is possible/likely that if the Transaction is not approved and the property is re-listed there may be no other offers received.

30. Accordingly, the Proposal Trustee recommends that this Court approve the Transaction as contemplated by the Purchase Agreement, authorize completion of the Transaction, and grant an Order vesting title of the Real Property in and to the Purchaser

31. Given the matters related to environmental contamination noted above, a standard appraisal of the Real Property would, in the Trustee Opinion, not provide any useful information to the Court. The market value assessment in any appraisal would be heavily qualified on the basis that the effect of any potential environmental contamination could not be quantified. As a result, no appraisal of the Real Property was prepared.

VI. ADMINISTRATION CHARGE

32. The April 28 Order provided for a charge on the Real Property in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise pursuant to section 64.2(1) of the BIA in an amount not to exceed \$125,000 to secure the fees and disbursements of the Proposal Trustee, the Proposal Trustee's legal counsel, if necessary, and legal counsel for the Debtor (the "**Administration Charge**").

33. The Debtors are seeking an Order of the Court increasing the Administration Charge from \$125,000 to \$300,000.

34. The increase in the Administration Charge is necessary as the full extent of the actual work required to undertake these restructuring proceedings for the benefit of all stakeholders was not contemplated at the outset and, as a result, the professional fees incurred by the Debtors' legal counsel and the Proposal Trustee has exceeded the Administration Charge amount set out in the April 28 Order.

35. As noted in the First Report, the Debtors are both retired and collect only pension income from the government. Further, their pension income is not sufficient to cover their monthly expenses and so their adult children assist them with making up the shortfall. The Debtors have no other assets other than the Real Property. As a result, the Proposal Trustee has not received any material funding from the Debtors or any other party in order to administer these NOI/Proposal proceedings. The Administration Charge is intended to provide the restructuring professionals with certainty that their fees and disbursements arising from these restructuring proceedings will be funded. Without the Administration Charge the funding of the restructuring professionals fees and disbursements are at significant risk.

36. The Proposal Trustee recommends that the Court grant an order approving the increase to the Administration Charge being sought by the Debtors.

VII. ACCOUNTS OF THE PROPOSAL TRUSTEE AND COUNSEL TO THE DEBTORS

37. In accordance with paragraph 9 of the April 28 Order the fees and disbursements of the Proposal Trustee and counsel to the Debtors may be approved by the Court and referred to a judge for such purpose.

38. Attached hereto as **Appendix "M"** and **Appendix "N"** are the Affidavits of Tom McElroy regarding the Proposal Trustee's fees to April 10, 2023 (accompanied by the supporting time dockets) for John Kim and Mary Kim, respectively (the "**Proposal Trustee Fee Affidavits**").

39. The Proposal Trustee is of the opinion that its fees, as set out in the Proposal Trustee Fee Affidavits, are fair and reasonable, justified in the circumstances, and accurately reflect the work done by the Proposal Trustee in connection with these NOI proceedings.

40. Attached as **Appendix “O”** is the affidavit of Wojtek Jaskiewicz regarding the fees and disbursements of WeirFoulds LLP, counsel to the Debtors, to February 28, 2023 accompanied by the supporting time dockets (the “**Legal Counsel Fee Affidavit**”).

41. It is the Proposal Trustee’s opinion that the fees and disbursements of WeirFoulds LLP, as set out in the Legal Counsel Fee Affidavit are fair and reasonable and justified in the circumstances.

42. The Proposal Trustee therefore requests and recommends approval of the fees and disbursements set out in both the Proposal Trustee Fee Affidavits and the Legal Counsel Fee Affidavit (collectively, the “**Fee Affidavits**”).

VIII. PROPOSAL TRUSTEE’S RECOMMENDATION

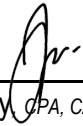
43. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders:

- a. approving this Fifth Report and the actions and activities of the Proposal Trustee described herein;
- b. authorizing and directing the Debtors to complete the Transaction as contemplated by the Purchase Agreement, with such minor amendments as the Debtors may deem necessary or appropriate;
- c. vesting the Real Property in the Purchaser free and clear of all encumbrances pursuant to an approval and vesting order in a form consistent with the one approved by the Commercial List User’s Committee of the Ontario Superior Court of Justice, to be effective upon the Proposal Trustee filing a certificate with the Court;
- d. approving the increase to the Administration Charge;
- e. sealing the unredacted version of the Purchase Agreement; and,
- f. approving the fees and disbursements of both the Proposal Trustee and legal counsel to the Debtors, WeirFoulds LLP, as set out in the Fee Affidavits.

All of which is respectfully submitted this 11th day of April 2023

**ALBERT GELMAN INC., solely in its
capacity as Trustee of re the Proposals of
Kuk-III John Kim and Myoung-Ja Mary Kim
and not its Personal or any other Capacity**

Per:



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

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
Kuk-III John Kim
of the City of Markham, in the Province of Ontario

Take notice that:

1. I, Kuk-III John Kim, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 100 Simcoe Street, Suite 125, Toronto, ON, M5H 3G2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 18th day of April 2022.



Kuk-III John Kim
Insolvent Person

To be completed by Official Receiver:

Filing Date


Official Receiver

District of:
 Division No. -
 Court No.
 Estate No.

- FORM 33 -
 Notice of Intention To Make a Proposal
 (Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
 Kuk-III John Kim
 of the City of Markham, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Bosung Investments Inc., Byoung Han and Jae Yol Han Simon Sparano	c/o FIJ Law LLP 50 West Pearce St #10 Richmond Hill ON L4B 1C5		6,000,000.00
City of Toronto Maggie Wang	North York Civic Centre 5100 Yonge Street, lower level North York ON M2N 5V7		50,000.00
Hyon-Cheong Sally Westergren			1,000,000.00
Lee-Mar Developments Limited Rick Coburn	c/o Borden Ladner Gervais LLP Scotia PLaza, 40 King Street West Toronto ON M5H 3Y4		5,000,000.00
Willms & Shier Environmental Lawyers LLP Marc McAree	1 Toronto Street, Suite 900 Toronto ON M5C 2V6		100,000.00
Total			12,150,000.00



 Kuk-III John Kim
 Insolvent Person



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2822607
Estate No. 31-2822607

In the Matter of the Notice of Intention to make a proposal of:

Kuk-Il John Kim

Insolvent Person

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

April 18, 2022

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

E-File/Dépôt Electronique

Date: April 19, 2022, 10:13

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

District of:
Division No. -
Court No.
Estate No.


- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
Myoung-Ja Mary Kim
of the City of Markham, in the Province of Ontario

Take notice that:

1. I, Myoung-Ja Mary Kim, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Albert Gelman Inc. of 100 Simcoe Street, Suite 125, Toronto, ON, M5H 3G2, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Toronto in the Province of Ontario, this 18th day of April 2022.



Myoung-Ja Mary Kim
Insolvent Person

To be completed by Official Receiver:

Filing Date

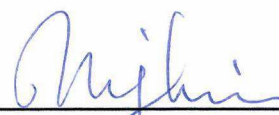
Official Receiver

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Proposal of
Myoung-Ja Mary Kim
of the City of Markham, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Bosung Investments Inc., Byoung Ok Han and Jae Yol Han Raffaele Sparano	c/o FIJ Law LLP 50 West Pearce St #10 Richmond Hill ON L4B 1C5		6,000,000.00
City of Toronto Maggie Wang	North York Civic Centre 5100 Yonge Street, lower level North York ON M2N 5V7		50,000.00
Hyon-Cheong Sally Westergren			1,000,000.00
Lee-Mar Developments Limited Rick Coburn	c/o Borden Ladner Gervais LLP Scotia Plaza, 40 King Street West Toronto ON M5H 3Y4		5,000,000.00
Willms & Shier Environmental Lawyers LLP Marc McAree	1 Toronto Street, Suite 900 Toronto ON M5C 2V6		100,000.00
Total			12,150,000.00



Myoung-Ja Mary Kim
Insolvent Person



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2822601
Estate No. 31-2822601

In the Matter of the Notice of Intention to make a proposal of:

Myoung-Ja Mary Kim

Insolvent Person

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

April 18, 2022

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 19, 2022, 10:07

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

THE HONOURABLE) THURSDAY THE 28TH
)
JUSTICE CONWAY) DAY OF APRIL, 2022

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, c. B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF KUK-ILL JOHN KIM**

ORDER

(Administrative Consolidation, Administration Charge and other relief)

THIS MOTION, made by Kuk-Ill John Kim (the “**John Kim**”) for administrative consolidation, an administration charge and other relief, was heard this day by videoconference.

ON READING the Motion Record of the John Kim, including the Affidavit of John Kim sworn on April 26, 2022 and the exhibits thereto, and the First Report of Albert Gelman Inc. (“**AGI**”) in its capacity as proposal trustee (the “**Proposal Trustee**”), and on hearing the submissions of counsel for John Kim and Myoung-Ja Mary Kim (“**Mary Kim**”, and together with John Kim, the “**Debtors**”) and such other counsel as were present as listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Max Skrow sworn April 27, 2022, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION OF TIME

2. **THIS COURT ORDERS** that the time for the filing of a proposal by John Kim and the time for the filing of a proposal by Mary Kim are hereby extended in accordance with section 50.4(9) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) by a period of forty-five (45) days, up to and including July 2, 2022.

ADMINISTRATIVE CONSOLIDATION

3. **THIS COURT ORDERS** that, without prejudice to the right of any party to seek or oppose substantive consolidation in respect of any or all of the following proceedings:

- (a) In the Matter of the Notice of Intention to Make a Proposal of Kuk-Il John Kim, Estate and Court File No. 31-2822607; and
- (b) In the Matter of the Notice of Intention to Make a Proposal of Myoung-Ja Mary Kim, Estate and Court File No. 31-2822601;

(collectively the “**NOI Proceedings**”)

the NOI Proceedings shall be procedurally consolidated and the Proposal Trustee shall be authorized and directed to administer the NOI Proceedings on a consolidated basis for all purposes in carrying out its administrative duties and other responsibilities as trustee under the BIA including, without limitation, the following:

- (a) Sending notices to creditors of the Debtors pursuant to one consolidated notice;
- (b) Calling and conducting any meetings of creditors of the Debtors pursuant to one combined advertisement and meeting;
- (c) Issuing consolidated reports in respect of the estates of the Debtors;
- (d) Preparing, filing, advertising and distributing any and all filings and/or notices relating to the administration of the estates of the Debtors on a consolidated basis; and

- (e) Bringing motions to this Honourable Court on a consolidated basis.

4. **THIS COURT ORDERS** that the single Court File Number 31-2822607 (the “**Consolidated Court File**”) and the following title of proceeding shall be assigned to the NOI Proceedings:

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, c. B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF KUK-ILL JOHN KIM**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF MYOUNG-JA MARY KIM**

5. **THIS COURT ORDERS** that a copy of this Order shall be filed by the Debtors in the court file for each of the NOI Proceedings but that any other document required to be filed in any of the NOI Proceedings shall hereafter only be required to be filed in the Consolidated Court File.

6. **THIS COURT ORDERS** that for avoidance of doubt, any motion, application or action, including the herein motion, in respect of the Debtors or any of them shall be brought and filed in the Consolidated Court File and if so brought and filed, it shall be deemed brought and filed in each of the NOI Proceedings, as appropriate, without prejudice to any rules of civil procedure or otherwise that are applicable.

7. **THIS COURT ORDERS** that the procedural consolidation of the NOI Proceedings shall not:

- (a) cause either of the Debtors to be liable for any claim for which they otherwise are not liable; or
- (b) affect the Proposal Trustee’s or a creditor’s rights to seek to disallow any claim, including on the basis that such claim is a duplicative claim.

ADMINISTRATION CHARGE

8. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee (if any), and counsel to the Debtors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Debtors as part of the costs of these NOI Proceedings. The Debtors are hereby authorized but not required to pay the accounts of the Proposal Trustee, counsel to the Proposal Trustee (if any) and counsel to the Debtors on a monthly basis.

9. **THIS COURT ORDERS** that the Proposal Trustee, its legal counsel (if any) and counsel to the Debtors shall pass their accounts from time to time, and for this purpose the accounts of the Proposal Trustee and its legal counsel (if any) are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

10. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee (if any) and counsel to the Debtors shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the property, municipally known as 385 Spadina Road, Toronto, Ontario (the “**Property**”), which charge shall not exceed an aggregate amount of \$125,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of the NOI Proceedings.

11. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and such Administration Charge shall rank in priority to all other security interests, trusts, liens, charges, encumbrances, claims of secured creditors, statutory or otherwise.

12. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

13. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the

Administration Charge (collectively, the “**Chargees**”) shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made in these proceedings; (b) any application for a bankruptcy order pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of the creditors pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances contained in any existing loan documents, lease, sublease, offer to lease to lease or other agreements (collectively, an “**Agreement**”) which binds the Debtor, and notwithstanding any provision to the contrary in any such Agreement:

- (a) The creation of the Administration Charge shall not create or be deemed to constitute a breach by the Debtors of any Agreement to which they are parties;
- (b) None of the Chargees shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
- (c) The payments made by the Debtors pursuant to this Order, and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

APPROVAL OF LISTING AGREEMENT

14. **THIS COURT ORDERS** that the Debtors (or either of them) are hereby authorized to enter into and perform a standard form listing agreement with a licensed real estate agent, with such variations as the Proposal Trustee may approve, and to do all things necessary or attendant to the same, for the purpose of listing, marketing and selling the Property.

APPROVAL OF FIRST REPORT

15. **THIS COURT ORDERS** that the First Report of the Proposal Trustee, and the actions, conduct and activities of the Proposal Trustee as set out therein, be and are hereby approved.

GENERAL

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

17. **THIS COURT ORDERS** that notwithstanding Rule 59.05, this Order is effective from 12:01 a.m. on the date that it is made and is enforceable without any need for entry and filing.



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

Proceeding commenced at TORONTO

**ORDER
(Re Administrative Consolidation, Sale Approval,
Administration Charge and Related Relief)**

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Toronto, ON M5K 1B7

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Lawyers for Kuk-Ill John Kim and Myoung-Ja Mary Kim



COUNSEL SLIP

COURT FILE NO.: BK-31-2822607 DATE: April 28, 2022

NO. ON LIST 6

TITLE OF PROCEEDING KUK-ILL JOHN KIM et al.

COUNSEL FOR: Kuk Ill John Kim & Myoung-Ja Mary Kim

- DEBTOR(S) Philip Cho & Max Skrow
- CREDITOR(S)

PHONE _____
 FAX _____
 EMAIL pcho@weirfoulds.com
mskrow@weirfoulds.com

COUNSEL FOR:

- DEBTOR(S)
- CREDITOR(S) Jacquelyn Stevens

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COUNSEL FOR: Boung Invest

- DEBTOR(S)
- CREDITOR(S) Raffaele Sparano

PHONE _____
 FAX _____
 EMAIL rsparano@fijlaw.com

COUNSEL FOR: Proposal Trustee

- OTHER Tom McElroy

PHONE _____
 FAX _____
 EMAIL _____

JUDICIAL NOTES:

Conway J. Endorsement

This motion is brought for an extension of time to file a proposal, administrative consolidation of certain files, grant of an administration charge, and authorizing the Debtors to enter into a listing agreement with a broker to list and sell the Property. The motion is unopposed, although counsel has not heard back from Laurentian – if it is any issues with this order, there is a come-back clause for it to attend court.

I am satisfied that all of the relief sought should be granted. Order to go as signed by me and attached to this endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

**In the Matter of the Notice of Intention to Make a Proposal of
Kuk-III John Kim of the city of Markham
in the Province of Ontario**

**And In the Matter of the Notice of Intention to Make a Proposal of
Myoung-Ja Mary Kim of the city of Markham
in the Province of Ontario**

**FIRST REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

(Dated April 27, 2022)

I. INTRODUCTION

1. This first report (“**First Report**”) is filed by Albert Gelman Inc. (“**AGI**”) in its capacity as proposal trustee (the “**Proposal Trustee**”) in connection with a Notice of Intention to Make a Proposal (“**NOI**”) filed by Kuk-III John Kim (“**John Kim**”) and Myoung-Ja Mary Kim (“**Mary Kim**”) and, together with John Kim, the “**Debtors**”) on April 18, 2022 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). Attached hereto at **Appendix “A**” are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Debtors.

2. The Debtors are making a motion to the Court, to be heard jointly, returnable April 28, 2022 (the “**April 28 Motion**”) seeking various relief. This First Report has been prepared largely in response to and in support of the Debtors’ April 28 Motion.

3. On their April 28 Motion, the Debtors are seeking, amongst other things, an Order:

- a. administratively consolidating the Debtors’ proposal proceedings under one title of proceeding;
- b. extending the time for each of the Debtors to file a proposal to July 2, 2022 (the “**Stay Extension**”);
- c. granting a priority charge over the Real Property (term defined below) in the amount of \$125,000 to secure the fees and disbursements of counsel to the Companies, the Proposal Trustee and counsel to the Proposal Trustee (the “**Administrative Charge**”);

- d. authorizing the Debtors to retain a licensed commercial realtor to list the Real Property for sale; and,
- e. approving this First Report and the activities of the Proposal Trustee described herein.

4. John Kim has included with the April 28 Motion an affidavit sworn on April 26, 2022 (the “**John Kim Affidavit**”), in support of the relief being sought. The Proposal Trustee has reviewed the John Kim Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

5. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Debtors at their April 28 Motion.

II. PURPOSE OF THIS REPORT

6. The purpose of this First Report is to:

- a. provide the Court with relevant information pertaining to the Debtors which is not otherwise described in the John Kim Affidavit;
- b. provide information to the Court regarding the actions and activities of both the Proposal Trustee and the Debtors subsequent to the filing of the NOI’s; and,
- c. provide the Court with the Proposal Trustee’s recommendations in respect of the relief sought by the Debtors.

III. SCOPE AND TERMS OF REFERENCE

7. In preparing this First Report, the Proposal Trustee has relied upon certain unaudited financial information, the Debtors books and records, discussions with the Debtors, discussions with Silver Kim, the son of the Debtors and discussions with the Debtors’ legal counsel, WeirFoulds LLP.

8. While the Proposal Trustee has reviewed various documents provided by the Debtors, such review does not constitute an audit or verification of such information for accuracy or completeness.

9. This First Report has been prepared for the use of this Court and the Debtors’ stakeholders as general information relating to the Debtors and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this First Report contrary to the provisions of this paragraph.

10. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

IV. BACKGROUND INFORMATION

Reason for NOI Filing

11. The Debtors are married and are both retired. John Kim is 81 years of age and Mary Kim is 76 years of age. Their sole source of income is from government pensions including only CPP and OSA. The Debtor's monthly expenses exceed their pension income. As a result, the Debtors adult children fund their monthly cash flow deficit which is discussed in more detail below.

12. The Debtors have advised the Proposal Trustee that their sole asset is the real property municipally known as 385 Spadina Road, Toronto, Ontario (the "**Real Property**") which the Debtors own jointly. The Real Property is a two story commercial building located near the intersection of Spadina Avenue and St Clair Avenue, in a retail area in Toronto. The Debtors previously operated a dry cleaning business from the Real Property prior to their retirement in 2003, at which time the business was sold to an arm's length purchaser who continued the dry cleaning business and leased the Real Property from the Debtors. The Real Property is currently vacant. Further details regarding the Real Property are included in the John Kim Affidavit.

13. As described in more detail below, the Debtors are the defendants in two claims filed against them by the owners of lands which sit adjacent to the Real Property who claim that, among other things, environmental contamination resulting from the Debtors dry cleaning business has affected their respective properties. This litigation has been ongoing for more than 10 years.

14. The Debtors filed the NOI with the goal of ultimately filing a proposal to their creditors. The Debtors contemplated filing for bankruptcy, however, based on the advice of their legal counsel and discussions with the Proposal Trustee they both believe that the most cost effective way to maximize realization from the Real Property is for the Debtors to sell the Real Property while in possession of it, with the Trustee monitoring the sales process. The proceeds could then be divided amongst their creditors pursuant to a proposal process.

15. The Debtors are of the view that, in a bankruptcy scenario, the fees and disbursements of a Trustee in bankruptcy who could be required to take possession and sell the Real Property would be significantly higher than the Debtor selling the Real Property while in their possession. Furthermore, the potential environmental contamination of the Real Property could complicate the bankruptcy proceedings significantly for the Trustee in a bankruptcy scenario.

16. Further background information with respect to each of the Debtors is included in the John Kim Affidavit.

V. SECURED CREDITORS

17. Pursuant to PPSA searches conducted by the Proposal Trustee on April 7, 2022 (with a file currency date of April 6, 2022), no creditors have registered financing statements or a claim for lien against either of the Debtors. Attached hereto at **Appendix "B"** are copies of the PPSA searches.

Real Property

18. The Proposal Trustee obtained a parcel register of the Real Property from the Ontario Ministry on April 7, 2022 (the "**Title Search**"). Attached hereto at **Appendix "C"** is a copy of the Title Search.

19. The Title Search identified a charge in the amount of \$70,000 with a Parties To description of “Laurentian Trust of Canada Inc. in Trust (For Self-Directed RRSP 710467)” (“**Laurentian Trust**”) (registration no. CA480034). The Laurentian Trust registration was made on June 26, 1997. The Debtors believe that the charge was registered in relation to certain RRSPs. However, the RRSPs were collapsed and liquidated approximately 10 years ago and as a result, the Debtors are unaware of the current status of this registration and believe that this registration should be discharged. The Trustee has been advised by counsel to the Debtors that Laurentian Trust was served with notice of the April 28 Motion.

20. Title to the Real Property is described as being subject to a number of writs of execution, if enforceable. Counsel to the Debtor has advised the Proposal Trustee that all but one of the writs of execution have expired. These writs of execution are discussed in more detail below.

21. There are no other registrations identified on the Title Search.

VI. UNSECURED CREDITORS

22. The unsecured creditors of both Debtors are the same and include the following:

- a. Bosung Investments Inc., Byoung Han and Jae Yol Han (“**Bosung**”) filed a claim against the Debtors claiming damages in the sum of \$6 million for, amongst other things, losses and expenses resulting from contamination of the Bosung’s lands which sit adjacent to the Real Property (the “**Bosung Claim**”). As of the date of the NOI the Bosung Claim was ongoing and had not been reduced to judgment;
- b. Lee-Mar Developments Limited (“**Lee-Mar**”) filed a claim against the Debtors claiming damages in the sum of \$5 million for, amongst other things, losses and expenses resulting from contamination of Lee-Mar’s property which sits adjacent to the Real Property (the “**Lee-Mar Claim**”). As of the date of the NOI the Lee-Mar Claim was ongoing and had not been reduced to judgment;
- c. Hyon-Cheong Sally Westergren (“**Westergren**”), the daughter of the Debtors, in the amount of approximately \$1 million which represents funds provided by Westergren to the Debtors to fund the legal costs to defend against both the Bosung Claim and the Lee-Mar Claim; and,
- d. Willms & Shier Environmental Lawyers LLP (“**WSE**”), the Debtors former legal counsel, in the amount of approximately \$100,000.

Execution Certificates

23. The Proposal Trustee obtained a Execution Certificates from the City of Toronto in respect of both Debtors which certificates are dated April 8, 2022 (the “**Execution Certificates**”). Attached hereto at **Appendix “D”** are copies of the Execution Certificates. According to the Execution Certificates no writs of execution, orders or certificate of lien were registered against John Kim. Further, according to the Execution Certificates a debtor with the name “Myoung Gyoo Kim” appeared on the execution certificate for Mary Kim. Although the name “Myoung Gyoo Kim” is similar to Mary Kim, the writ of execution was not registered against Mary Kim.

24. As reported above, one of the writs of execution has not expired. This remaining writ is in respect of “Myoung Gyoo Kim” who is not one and the same person as Mary Kim (Myoung-Ja Kim). Counsel to the Debtors have advised that the Debtors are in the process of making an application to the Land Registrar to have the reference to the writs of execution removed from the legal description of the Property.

VII. ACTIVITIES OF THE DEBTORS

25. Since the date of the filing of the NOI, the Debtors have undertaken, among other things, the following activities:

- a. had informal discussions, through their legal counsel, with various creditors in respect of these restructuring proceedings;
- b. attended meetings with their legal counsel and the Proposal Trustee to discuss their objectives and options in respect of these restructuring proceedings; and,
- c. prepared its Cash Flow Statement (defined below) with the assistance of the Proposal Trustee.

26. The Debtors are requesting an extension of time to file their proposals so that they may, among other things, market for sale the Real Property on a debtor-in-possession basis, in consultation with their creditors, in order to maximize realization for their creditors and minimize professional fees and develop a plan to distribute those proceeds through a Proposal process. As set out above, in a bankruptcy scenario the fees and disbursements of a Trustee and its legal counsel would likely be significantly higher.

27. The Proposal Trustee supports the Companies’ request for the Stay Extension.

VIII. ACTIVITIES OF THE PROPOSAL TRUSTEE

28. Since the date of the filing of the NOI the Proposal Trustee has undertaken, among other things, the following activities:

- a. on April 20, 2022 the Proposal Trustee mailed to every known creditor notice of the Debtors’ NOI as required under subsection 50.4(6) of the BIA. A copy of the affidavits of mailing are collectively attached hereto as **Appendix “E”**;
- b. assisted the Companies with the preparation of the Cash Flow Statement (defined below);

- c. communicated with the Debtors and the Companies' legal counsel to discuss, among other things, the options available to the Debtors in relation to the NOI proceedings;
- d. communicated with several creditors and other stakeholders who contacted the Proposal Trustee directly regarding the status of these restructuring proceedings; and,
- e. established a Case Webpage to post the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements/.

IX. CASH FLOW FORECASTS

29. On April 24, 2022 the Debtors filed with the Proposal Trustee a monthly cash flow statement for the month of April 2022 ("**Cash Flow Statement**"), along with the Debtors' report on the reasonableness of the Cash Flow Statement in accordance with subsection 50.4(2) of the BIA. Attached hereto as **Appendix "F"** are copies of the Cash Flow Statement along with Debtors' and the Proposal Trustee's report thereon.

30. The Debtors are both retired and rely on government pension and support from their adult children to fund their monthly expenses. The accuracy of the Cash Flow Statement is subject to the assumptions contained within the statement and set out in the statement notes.

X. ADMINISTRATIVE CHARGE

31. The Debtors are seeking an Order of the Court charging the Real Property in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise pursuant to section 64.2(1) of the BIA in an amount not to exceed \$125,000 to secure the fees and disbursements of the Proposal Trustee, the Proposal Trustee's legal counsel, if necessary, and legal counsel for the Debtor (defined above as the Administrative Charge).

32. As noted above, the Debtors are both retired and collect only pension income from the government. Further, their pension income is not sufficient to cover their monthly expenses and so their children assist them with making up the shortfall. The Debtors have no other assets other than the Real Property. As a result the Proposal Trustee has not received any material funding from the Debtors or another other party in order to administer these NOI/Proposal proceedings. The Administration Charge is intended to provide the restructuring professionals with certainty that their fees and disbursements arising from these restructuring proceedings will be funded. Without the Administration Charge the funding of the restructuring professionals fees and disbursements are at significant risk.

33. Administrative charges are common in proceedings such as this and are necessary to secure the fees and disbursements of the professionals involved to enable Debtors to successfully complete restructuring proceedings.

34. The Proposal Trustee recommends that the Court grant an order approving the Administrative Charge being sought by the Debtors.

XI. REQUEST FOR EXTENSION

35. The Debtors are seeking the Stay Extension pursuant to subsection 50.4(9) of the BIA.
36. The Proposal Trustee supports the Stay Extension as it is of the opinion that:
- a. the Debtors have acted, and are acting, in good faith and with due diligence;
 - b. the Debtors would likely be able to make a viable Proposal if the extension being applied for were granted; and,
 - c. no creditor would be materially prejudiced if the extension being applied for were granted.
37. The Proposal Trustee is also of the opinion that a Proposal developed by the Debtors would likely result in a more orderly and efficient process to realize upon the Debtors sole asset, being the Real Property, than would be the case if the Debtors were both deemed or otherwise become bankrupt and the Proposal Trustee was required to take possession of, list and sell the Real Property itself.

XII. PROPOSAL TRUSTEE'S RECOMMENDATION

38. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:
- a. the administrative consolidation of the Debtors' proposal proceedings under one title of proceeding;
 - b. the Stay Extension;
 - c. the Administrative Charge;
 - d. the Debtors to retain a licensed commercial realtor to list the Real Property for sale; and,
 - e. the actions and activities of the Proposal Trustee as described in this First Report.

All of which is respectfully submitted this 27th day of April 2022

**ALBERT GELMAN INC., solely in its
capacity as Trustee of re the Notice of
Intention to Make a Proposal of
Kuk-III John Kim and Myoung-Ja Mary Kim
and not its Personal or any other Capacity**

Per:



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

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION OF TIME

2. **THIS COURT ORDERS** that the time for the filing of a proposal by the Debtors is hereby extended in accordance with section 50.4(9) of the *Bankruptcy and Insolvency Act* (the “BIA”) by a period of forty-five (45) days up to and including August 16, 2022.

APPROVAL OF REPORT AND FEES

3. **THIS COURT ORDERS** that the Second Report of the Proposal Trustee, and the actions, conduct and activities of the Proposal Trustee as set out therein, be and are hereby approved, provided however that only AGI in its personal capacity and with respect to its personally liability shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the fees and disbursements of counsel to the Debtor as set out in the fee affidavit appended to the Second Report be and are hereby approved, and that the Proposal Trustee is hereby authorized and directed to pay the same from available funds.

5. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee as set out in the fee affidavits appended to the Second Report be and are hereby approved, and that the Proposal Trustee is hereby authorized and directed to pay the same from available funds.

GENERAL

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

7. **THIS COURT ORDERS** that notwithstanding Rule 59.05, this Order is effective from 12:01 a.m. on the date that it is made and is enforceable without any need for entry and filing.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**ORDER
(Extension and approval of activities and fees)**

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Lawyers for Kuk-Ill John Kim and Myoung-Ja Mary Kim

COUNSEL SLIP/ENDORSEMENT

COURT FILE

NO.: BK-22-2822607-0031

DATE: June 27, 2022

NO. ON LIST 4

TITLE OF
PROCEEDING

Kim et al

COUNSEL FOR:

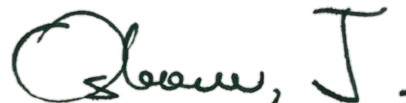
- PLAINTIFF(S) Philip Cho (pcho@weirfoulds.com) for the Debtor
- APPLICANT(S)
- PETITIONER(S)

COUNSEL FOR:

- DEFENDANT(S) Tom McElroy (tmcelroy@albertgelman.com) for the proposed Trustee
- RESPONDENT(S)

OSBORNE, J.

1. This is a motion by the Debtors for an extension of time to file a proposal.
2. The proposed Trustee, and all parties to all of the actions and proceedings referred to in the Motion Record of the Debtors were given notice of today's motion, served with the Motion Record, and consent to, or do not oppose, the relief sought.
3. The extension makes practical sense in that it is intended to afford the Debtors an opportunity to obtain environmental testing on the subject properties with a view to, as supported by the proposed Trustee, maximizing the information and certainty available to potential bidders or offerors as to the condition, and therefore the value, of the properties, with a view in turn to maximizing the recovery for creditors.
4. There being no opposition to the relief sought, I have signed the order attached to this endorsement which is effective without the necessity of it being issued or entered. As the order provides, any interested party may apply to vary or amend the order on notice to any party who may be affected.
5. Counsel for the Debtors is directed to upload to Caselines the Affidavit of Service.



**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

**In the Matter of the Notice of Intention to
Make a Proposal of Kuk-Il John Kim**

**and in the Matter of the Notice of Intention to
Make a Proposal of Myoung-Ja Mary Kim**

**SECOND REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

(Dated June 22, 2022)

I. INTRODUCTION

1. This second report ("**Second Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with a Notice of Intention to Make a Proposal ("**NOI**") filed by Kuk-Il John Kim ("**John Kim**") and Myoung-Ja Mary Kim ("**Mary Kim**" and, together with John Kim, the "**Debtors**") on April 18, 2022 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Debtors.

2. On April 28, 2022 on a motion made by the Debtors the Honourable Justice Conway granted an order (the "**April 28 Order**") approving, among other things, an administrative consolidation of the Debtors proposal proceedings, an extension of the stay of proceedings afforded under the NOI to July 2, 2022 (the "**First Stay Extension**"), an administrative charge and authority for the Debtors' to enter into a listing agreement with a real estate agent to list the Real Property. A copy of the April 28 Order and related Endorsement are attached hereto as **Appendix "B"**.

3. The Proposal Trustee prepared a report in respect of the April 28, 2022 motion dated April 27, 2022 (the "**First Report**"). Attached hereto as **Appendix "C"** is a copy of the First Report, without appendices.

4. The Debtors are making a motion to the Court returnable June 27, 2022 (the "**June 27 Motion**") seeking various relief. This Second Report has been prepared in response to and in support of the Debtors' June 27 Motion.

5. On their June 27 Motion, the Debtors are seeking, amongst other things, an Order:

- a. further extending the time for each of the Debtors to file a proposal to August 16, 2022 (the **Second Stay Extension**"); and,
- b. approving the activities and fees of the Proposal Trustee; and
- c. approving the fees and disbursements of the Debtors' legal counsel, WeirFoulds LLP.

6. Silver Kim, the adult son of both Debtors, has included with the June 27 Motion an affidavit sworn on June 22, 2022 (the "**Silver Affidavit**"), in support of the relief being sought. The Proposal Trustee has reviewed the Silver Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

7. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Debtors at their June 27 Motion.

II. PURPOSE OF THIS REPORT

8. The purpose of this Second Report is to:

- a. provide the Court with relevant information pertaining to the Debtors which is not otherwise described in the Silver Affidavit;
- b. provide information to the Court regarding the actions and activities of both the Proposal Trustee and the Debtors subsequent to the date of the First Report; and,
- c. provide the Court with the Proposal Trustee's recommendations in respect of the relief sought by the Debtors.

III. SCOPE AND TERMS OF REFERENCE

9. In preparing this Second Report, the Proposal Trustee has relied upon certain unaudited financial information, the Debtors books and records, discussions with the Debtors, discussions with Silver Kim and discussions with the Debtors' legal counsel, WeirFoulds LLP.

10. While the Proposal Trustee has reviewed various documents provided by the Debtors, such review does not constitute an audit or verification of such information for accuracy or completeness.

11. This Second Report has been prepared for the use of this Court and the Debtors' stakeholders as general information relating to the Debtors and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Second Report contrary to the provisions of this paragraph.

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

13. Terms not otherwise defined herein shall have the meanings ascribed to them in the First Report.

IV. ACTIVITIES OF THE DEBTORS

14. The actions and activities of the Debtors since the date of the First Report are set out in Silver Affidavit at paragraph 7.

15. The Debtors are requesting an extension of time to file their Proposals so that they may, among other things, market for sale the Real Property on a debtor-in-possession basis, in consultation with their creditors, in order to maximize realization for their creditors and minimize professional fees and develop a plan to distribute those proceeds through the Proposal process. Prior to marketing the Real Property for sale the Debtor's are in the process of determining if, and to what extent, it is necessary to obtain a formal report from an environmental consultant (including potentially a Phase I and Phase II environmental site assessment) regarding the status and extent of environmental contamination with respect to the Real Property and surrounding area. As such, the Debtors require additional time prior to filing their Proposals.

16. The Proposal Trustee supports the Debtors' request for the Second Stay Extension.

V. ACTIVITIES OF THE PROPOSAL TRUSTEE

17. Since the date of the First Report the Proposal Trustee has undertaken, among other things, the following activities:

- a. continued to communicate with several creditors and other stakeholders who contacted the Proposal Trustee directly regarding the status of these restructuring proceedings;
- b. continued to communicate with the Debtors' legal counsel regarding the process for marketing and selling the Real Property including the extent to which additional information is required from an environmental consultant before doing so; and,
- c. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements.

VI. REQUEST FOR EXTENSION

18. The Debtors are seeking the Second Stay Extension pursuant to subsection 50.4(9) of the BIA.

19. The Proposal Trustee supports the Second Stay Extension as it is of the opinion that:

- a. the Debtors have acted, and are acting, in good faith and with due diligence;
- b. the Debtors would likely be able to make a viable Proposal if the extension being applied for were granted; and,
- c. no creditor would be materially prejudiced if the extension being applied for were granted.

20. The Proposal Trustee is also of the opinion that a Proposal developed by the Debtors would likely result in a more orderly and efficient process to realize upon the Debtors sole asset, being the Real Property, than would be the case if the Debtors were both deemed or otherwise become bankrupt.

VII. ACCOUNTS OF THE PROPOSAL TRUSTEE

21. In accordance with paragraph 9 of the April 28 Order the fees and disbursements of the Proposal Trustee may be approved by the Court and referred to a judge for such purpose.

22. Attached hereto as **Appendix “D”** and **Appendix “E”** are the Affidavits of Tom McElroy regarding the Proposal Trustee’s fees to June 20, 2022 (accompanied by the supporting time dockets) for John Kim and Mary Kim, respectively (the **“Fee Affidavits”**).

23. The Proposal Trustee is of the opinion that its fees, as set out in the Fee Affidavits, are fair and reasonable, justified in the circumstances, and accurately reflect the work done by the Proposal Trustee in connection with these NOI proceedings.

24. Attached as **Appendix “F”** is the affidavit of Wojtek Jaskiewicz regarding the fees and disbursements of WeirFoulds LLP, counsel to the Debtors, to June 20, 2022 accompanied by the supporting time dockets (the **“Legal Counsel Fee Affidavit”**).

25. It is the Proposal Trustee’s opinion that the fees and disbursements of WeirFoulds LLP, as set out in the Legal Counsel Fee Affidavit are fair and reasonable and justified in the circumstances.

26. The Proposal Trustee therefore requests and recommends the approval the fees and disbursements set out in the Fee Affidavits and the Legal Counsel Fee Affidavit.

VIII. PROPOSAL TRUSTEE’S RECOMMENDATION

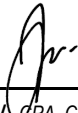
27. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:

- a. the Second Stay Extension;
- b. the actions and activities of the Proposal Trustee as described in this Second Report; and,
- c. the fees and disbursements of the Proposal Trustee as set out in the Fee Affidavits;
- d. the fees and disbursements of the Debtor’s legal counsel, WeirFoulds LLP, as set out in the Legal Counsel Fee Affidavit.

All of which is respectfully submitted this 22nd day of June 2022

**ALBERT GELMAN INC., solely in its
capacity as Trustee of re the Notice of
Intention to Make a Proposal of
Kuk-III John Kim and Myoung-Ja Mary Kim
and not its Personal or any other Capacity**

Per:



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

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and the motion record be and is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION OF TIME

2. **THIS COURT ORDERS** that the time for the filing of a proposal by the Debtors is hereby extended in accordance with section 50.4(9) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) by a period of forty-five (45) days from August 16, 2022, up to and including September 30, 2022.

DIP FINANCING

3. **THIS COURT ORDERS** that the Debtors are hereby authorized and empowered to obtain and borrow under a credit facility from Hillmount Capital Inc. (the “**DIP Lender**”) provided that borrowings under such credit facility shall not exceed \$250,000 unless permitted by further order of this Court.

4. **THIS COURT ORDERS** that the DIP Facility shall substantially be on terms and subject to conditions set forth in the term sheet between the Debtors and the DIP Lender, accepted on July 29, 2022 (the “**DIP Term Sheet**”), attached as Exhibit “E” to the Silver Affidavit, subject to such minor amendments as may be acceptable to the Debtors and the DIP Lender, and approved by the Proposal Trustee.

5. **THIS COURT ORDERS** that the Debtors are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, security documents, guarantees, and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Debtors are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, costs, liabilities, and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and

when the same become due and are to be performed, notwithstanding any other provision of this Order.

6. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the property, municipally known as 385 Spadina Road, Toronto, Ontario (the “**Property**”) as security for the Debtors’ obligations to the DIP Lender under the DIP Term Sheet, which obligations include, without limitation, principal, interest, costs and fees. The DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s charge shall have the priority set out in paragraphs 9 and 11 of this Order.

7. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order, the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record, or perfect the DIP Lender’s Charge or any of the Definitive Documents.

8. **THIS COURT ORDER AND DECLARES** that the DIP Lender shall be treated as unaffected in any proposal filed by the Debtors under the BIA with respect to any advances made under the Definitive Documents.

9. **THIS COURT ORDERS** that the priorities of the Administration Charge granted by this Court pursuant to the Order of Justice Conway on April 28, 2022 and the DIP Lender’s Charge (together, the “**Charges**”) as among them, shall be as follows:

- (a) First – Administration Charge (up to the maximum of \$125,000); and,
- (b) Second – DIP Lender’s Charge (up to the maximum of \$250,000).

10. **THIS COURT ORDERS** that the filing, registration, or perfection of the DIP Lender’s Charge shall not be required, and that the DIP Lender’s Charge shall be valid and enforceable for all purposes, including as against any right, title, or interest filed, registered, recorded or perfected subsequent to the DIP Lender’s Charge coming into existence, notwithstanding any such failure to file, register, record or project.

11. **THIS COURT ORDERS** that the DIP Lender’s Charge shall, subject to the Administration Charge, constitute a charge on the Property and such DIP Lender’s Charge shall

rank in priority to all other security interests, trusts, liens, charges, encumbrances, and claims of secured creditors, statutory or otherwise.

12. **THIS COURT ORDERS** that the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made in these proceedings; (b) any application for a bankruptcy order pursuant to the BIA, or any bankruptcy order made pursuant to such application; (c) the bankruptcy of the Debtors, or any of them; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances contained in any existing loan documents, lease, sublease, offer to lease or other agreements (collectively, an "**Agreement**") which bind the Debtors, or either of them, and notwithstanding any provision to the contrary in any such Agreement:

- (a) the creation of the DIP Lender's Charge shall not create or be deemed to constitute a breach by the Debtors, or either of them, of any Agreement to which they are parties;
- (b) the DIP Lender shall not have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the DIP Lender's Charge;
- (c) the payments made by the Debtors, or either of them, pursuant to this Order, and the granting of the DIP Lender's Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

APPROVAL OF THIRD REPORT

13. **THIS COURT ORDERS** that the Third Report of the Proposal Trustee, and the actions, conduct and activities of the Proposal Trustee as set out therein, be and are hereby approved, provided, however, that only AGI in its personal capacity and with respect to its personal liability shall be entitled to rely upon or utilize in any way such approval.

GENERAL

14. **THIS COURT ORDERS** that any interested party (including the Debtors, the DIP Lender, and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

15. **THIS COURT ORDERS** that notwithstanding Rule 59.05, this Order is effective from 12:01 a.m. on the date that it is made and is enforceable without any need for entry and filing.

Dietrich J.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**ORDER
(DIP Approval and Charge)**

WeirFoulds LLP
66 Wellington Street West, Suite 4100
P.O. Box 35, Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO #45615U)
pcho@weirfoulds.com

Tel: 416-365-1110
Fax: 416-365-1876

Lawyers for Kuk-Ill John Kim and Myoung-Ja Mary Kim



SUPERIOR COURT OF JUSTICE
COUNSEL SLIP

COURT FILE

NO.: BK-22-02800607-0031

DATE: 05-AUG-2022

2

TITLE OF
PROCEEDING
BEFORE JUSTICE

IN THE MATTER OF THE BANKRUPTCY OF KUK-ILL JOHN KIM

NAMES OF COUNSEL AND PARTY:

- APPLICANT(S)
- PLAINTIFF(S)

PHONE _____

 EMAIL _____

NAMES OF COUNSEL AND PARTY:

- RESPONDENT(S)
- RESPONDENT(S)
- DEFENDANT(S)
- DEFENDANT(S)

PHONE _____

 EMAIL _____

 PHONE _____

 EMAIL _____

NAMES OF COUNSEL AND OTHER PARTIES:

- T. McElroy, for Proposal Trustee Albert Gelman Inc.
- W. Jaskiewicz, for Debtor
- F. Tayar, for Hillmount Capital

PHONE _____

 EMAIL tmcelroy@albertgelman.com;
wjaskiewicz@weirfoulds.com;
fred@fredtayar.com

 PHONE _____

 EMAIL _____

ENDORSEMENT OF JUSTICE :

[1] The debtors Kuk-Ill John Kim and Mary Myoung-Ja Kim (the “Debtors”) bring this motion for an order extending the time for the filing their proposal from August 16, 2022 (the extension granted by Justice Osborne)

to September 30, 2022. They also seek an order authorizing them to borrow funds from Hillmount Capital (the "DIP Lender") in an amount not to exceed \$250,000; and granting a DIP lender's charge on the property at 385 Spadina Road, Toronto, Ontario (the "Property"). And they seek an order approving the third report of Albert Gelman Inc. in its capacity as Proposal Trustee.

[2] Having reviewed the record and heard the submissions of counsel, I am satisfied that the relief should be granted. There is no opposition to the motion.

[3] There are no secured creditors. Counsel advises that each of the unsecured creditors is sophisticated or represented by counsel. The DIP loan will be used to address environmental issues associated with the Property with a view to maximizing the value for all stakeholders.

[4] The extension is appropriate given that the Debtors have acted and are acting in good faith and with due diligence. The extension will allow them time to finalize the financing and engage an environmental consultant.

[5] No creditor will be materially prejudiced by the extension sought.

[6] Order to go in the form of the draft attached hereto and signed by me. The Order is effective as of today's date, and it does not need to be entered.

A handwritten signature in cursive script, reading "Dietrich J.".

August 5, 2022

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

**In the Matter of the Notice of Intention to
Make a Proposal of Kuk-Il John Kim**

**and in the Matter of the Notice of Intention to
Make a Proposal of Myoung-Ja Mary Kim**

**THIRD REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

(Dated August 2, 2022)

I. INTRODUCTION

1. This third report (“**Third Report**”) is filed by Albert Gelman Inc. (“**AGI**”) in its capacity as proposal trustee (the “**Proposal Trustee**”) in connection with a Notice of Intention to Make a Proposal (“**NOI**”) filed by Kuk-Il John Kim (“**John Kim**”) and Myoung-Ja Mary Kim (“**Mary Kim**”) and, together with John Kim, the “**Debtors**”) on April 18, 2022 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). Attached hereto at **Appendix “A**” are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Debtors.

2. On April 28, 2022 on a motion made by the Debtors the Honourable Justice Conway granted an order (the “**April 28 Order**”) approving, among other things, an administrative consolidation of the Debtors proposal proceedings, an extension of the stay of proceedings afforded under the NOI to July 2, 2022 (the “**First Stay Extension**”), an administrative charge and authority for the Debtors’ to enter into a listing agreement with a real estate agent to list the Real Property. A copy of the April 28 Order and related Endorsement are attached hereto as **Appendix “B**”.

3. The Proposal Trustee prepared a report in respect of the April 28, 2022 motion dated April 27, 2022 (the “**First Report**”). Attached hereto as **Appendix “C**” is a copy of the First Report, without appendices.

4. On June 27, 2022, on a motion made by the Debtors, the Honourable Justice Osborne granted an order (the “**June 27 Order**”) approving, among other things, a further extension of the stay of proceedings afforded under the NOI to August 16, 2022. A copy of the June 27 Order and related Endorsement are attached hereto as **Appendix “D**”.

5. The Proposal Trustee prepared a report in respect of the June 27, 2022 motion dated June 22, 2022 (the “**Second Report**”). Attached hereto as **Appendix “E”** is a copy of the Second Report, without appendices.

6. The Debtors are making a motion to the Court returnable August 5, 2022 (the “**August 5 Motion**”) seeking various relief. This Third Report has been prepared in response to and in support of the Debtors’ August 5 Motion.

7. On their August 5 Motion, the Debtors are seeking, amongst other things, an Order:

- a. further extending the time for each of the Debtors to file a proposal to September 30, 2022 (the “**Third Stay Extension**”); and,
- b. approving the DIP Facility and DIP Charge (both terms define below).

8. Silver Kim, the adult son of both Debtors, has included with the August 5 Motion an affidavit sworn on August 2, 2022 (the “**Silver Affidavit**”), in support of the relief being sought. The Proposal Trustee has reviewed the Silver Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

9. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Debtors at their August 5 Motion.

II. PURPOSE OF THIS REPORT

10. The purpose of this Third Report is to:

- a. provide the Court with relevant information pertaining to the Debtors which is not otherwise described in the Silver Affidavit;
- b. provide information to the Court regarding the actions and activities of the Proposal Trustee subsequent to the date of the Second Report; and,
- c. provide the Court with the Proposal Trustee’s recommendations in respect of the relief sought by the Debtors.

III. SCOPE AND TERMS OF REFERENCE

11. In preparing this Third Report, the Proposal Trustee has relied upon certain unaudited financial information, the Debtors books and records, discussions with the Debtors, discussions with Silver Kim and discussions with the Debtors’ legal counsel, WeirFoulds LLP.

12. While the Proposal Trustee has reviewed various documents provided by the Debtors, such review does not constitute an audit or verification of such information for accuracy or completeness.

13. This Third Report has been prepared for the use of this Court and the Debtors’ stakeholders as general information relating to the Debtors and to assist the Court in making a determination of whether to

approve the relief sought. Accordingly, the reader is cautioned that this Third Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Third Report contrary to the provisions of this paragraph.

14. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

15. Terms not otherwise defined herein shall have the meanings ascribed to them in either the First Report and/or the Second Report.

IV. ACTIVITIES OF THE PROPOSAL TRUSTEE

16. Since the date of the Second Report the Proposal Trustee has undertaken, among other things, the following activities:

- a. communicated with the Debtors' legal counsel regarding the terms of the DIP Facility;
- b. continued to communicate with the Debtors' legal counsel regarding the process for marketing and selling the Real Property; and,
- c. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements.

V. DEBTOR-IN-POSSESSION FINANCING

17. In order to fund certain costs associated with determining the scope and extent of environmental contamination in respect of the real property municipally known as 385 Spadina Road, Toronto (the "**Real Property**") the Debtors' require additional capital. As further described in the Silver Affidavit, the Debtors' sole asset is the Real Property. Further, the Debtors are both retired, have limited monthly income consisting only of government paid CPP and OAS and are generally supported financially by their adult children. As a result, the Debtors' do not have the financial resources to fund the environmental costs noted above and, therefore, have sought out third party financing to cover these costs.

18. As set out in the Silver Affidavit, Hillmount Capital Inc. (the "**DIP Lender**") has proposed to provide the Debtors with a debtor-in-possession credit facility (the "**DIP Facility**") to fund, among other things, the environmental costs described in the Silver Affidavit as well as the professional fees resulting from these restructuring proceedings. The proposed DIP Facility is conditional upon, among other things, this Honourable Court granting a priority charge, and permitting the Debtors to register a mortgage on title to the Real Property, in favour of the DIP Lender (the "**DIP Charge**") subordinate only to the Administration Charge.

19. The terms of the proposed DIP Facility are set out in a term sheet dated July 29, 2022 which is attached as Exhibit "E" to the Silver Affidavit. The material terms of the proposed DIP Facility are outlined below:

- a. permits the Debtor to borrow the aggregate sum of up to a maximum of \$250,000 in tranches of \$50,000 each;
- b. shall bear interest at a rate of 14% percent per annum compounded monthly;
- c. includes a lending fee of 5% of the DIP Facility;
- d. shall be repayable within one year;
- e. requires that the Debtors' provide a first place mortgage over the Real Property in favour of the DIP Lender, subordinate only to the Administration Charge; and,
- f. is subject to the Court approving the DIP Facility and DIP Charge.

20. In the Trustee's opinion, the proposed terms of the DIP Facility are reasonable and appropriate in the circumstances.

VI. REQUEST FOR EXTENSION

21. The Debtors are seeking the Third Stay Extension pursuant to subsection 50.4(9) of the BIA.

22. The Proposal Trustee supports the Third Stay Extension as it is of the opinion that:

- a. the Debtors have acted, and are acting, in good faith and with due diligence;
- b. the Debtors would likely be able to make a viable Proposal if the extension being applied for were granted; and,
- c. no creditor would be materially prejudiced if the extension being applied for were granted.

23. The Proposal Trustee is also of the opinion that a Proposal developed by the Debtors would likely result in a more orderly and efficient process to realize upon the Debtors sole asset, being the Real Property, than would be the case if the Debtors were both deemed or otherwise become bankrupt.

VII. PROPOSAL TRUSTEE'S RECOMMENDATION

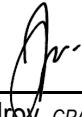
24. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:

- a. the Third Stay Extension;
- b. the DIP Facility and DIP Charge; and,
- c. the actions and activities of the Proposal Trustee as described in this Third Report.

All of which is respectfully submitted this 2nd day of August 2022

**ALBERT GELMAN INC., solely in its
capacity as Trustee of re the Notice of
Intention to Make a Proposal of
Kuk-III John Kim and Myoung-Ja Mary Kim
and not its Personal or any other Capacity**

Per:



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



SUPERIOR COURT OF JUSTICE
COUNSEL/ENDORSEMENT SLIP

COURT FILE

NO.: BK-22-2822607-0031

DATE: September 28, 2022

#2

TITLE OF
PROCEEDING

KUK-ILL JOHN KIM et al.

BEFORE MR. JUSTICE OSBORNE

NAMES OF COUNSEL AND PARTY:

DEBTOR(S): DIP CHO COUNSEL FOR KUK ILL JOHN KIM

PHONE _____

CREDITOR(S)

EMAIL pcho@weirfoulds.com

NAMES OF COUNSEL AND PARTY:

SOLICITOR(S): WEIRFOULDS LLP

PHONE _____

EMAIL _____

PHONE _____

EMAIL _____

NAMES OF COUNSEL AND OTHER PARTIES:

TRUSTEE: TOM MCELROY COUNSEL FOR TRUSTEE

PHONE _____

CREDITOR: RAFFAELE SPARANO COUNSEL FOR
BOSUNG INVESTMENTS INC

EMAIL tmcelroy@albertgelman.com

EMAIL rsparano@fijlaw.com

EMAIL _____

ENDORSEMENT OF OSBORNE, J:

[1] The Debtors seek an order amending the Order of Justice Dietrich dated August 5, 2022 in respect of approval of a DIP facility, an extension of the time for filing a proposal up to and including October 18, 2022,

and approving the Fourth Report of the Proposal Trustee, the activities described therein, and the fees of the Proposal Trustee.

[2] The relief sought today is unopposed and is supported by the Proposal Trustee.

[3] The basis for the relief sought today is set out in the Fourth Report as well as the affidavit of Silver Kim sworn September 26, 2022 and exhibits thereto.

[4] The DIP lender contemplated in the order of Justice Dietrich has declined to proceed. The Proposal Trustee is working diligently to find a substitute DIP lender.

[5] I am satisfied that the extension sought should be granted and meets the test set out in section 50.4(9) of the BIA. The Debtors have acted, and are acting, in good faith and with due diligence, would likely be able to make a viable proposal if the extension is granted, and no creditor would be materially prejudiced.

[6] The proposed amendment to the order of Justice Dietrich with respect to the DIP facility is also appropriate. The draft order provides that any such interim financing shall be substantially on terms and subject to conditions set forth in the term sheet attached to the order sought today, which are no less favourable than, and indeed the same as, those approved by Justice Dietrich earlier.

[7] I am satisfied that the relief sought today is appropriate. Order to go in the form signed by me today, which is effective without the necessity of issuing and entering.

A handwritten signature in black ink, appearing to read "Owen, J." with a stylized, cursive script.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

THE HONOURABLE) WEDNESDAY, THE 28TH
)
JUSTICE OSBORNE) DAY OF SEPTEMBER, 2022

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, c. B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF KUK-ILL JOHN KIM**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF MYOUNG-JA MARY KIM**

**ORDER
(Extension and Amending DIP Approval Order)**

THIS MOTION, made by Kuk-Ill John Kim and Myoung-Ja Kim (collectively, the “**Debtors**”) for, among other things, an extension of time to file a proposal, was heard this day by judicial videoconference.

ON READING the Motion Record of the Debtors, including the Affidavit of Silver Stephen Kim sworn on September 26, 2022 and the exhibits thereto (the “**Silver Affidavit**”), and the fourth report of Albert Gelman Inc. (“**AGI**”) in its capacity as proposal trustee (the “**Proposal Trustee**”) dated September 27, 2022 (the “**Fourth Report**”) and the appendices thereto, including the two fee affidavits of Tom McElroy sworn on September 27, 2022 (the “**Fee Affidavits**”) and on hearing the submissions of counsel for the Debtors and such other counsel as were present as listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Dalal Hjjih sworn September 26, 2022, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record be and is hereby abridged and validated such that this motion is properly returnable today and hereby dispenses with further service thereof.

AMENDING DIP APPROVAL ORDER

2. **THIS COURT ORDERS** that the Order of the Honourable Justice Dietrich dated August 5, 2022 (the “**DIP Approval Order**”) be and is hereby amended by replacing the words “Hillmount Capital Inc.” with “such person or persons as may confirm in writing to the Debtors and to the Proposal Trustee that such person or persons agrees to provide interim financing in accordance with this Order”.

3. **THIS COURT ORDERS** that upon a person or persons agreeing to provide interim financing in accordance with paragraph 2 of this Order, the Proposal Trustee will file a certificate with this Court certifying the identity of such person or persons (“**DIP Lender Certificate**”).

4. **THIS COURT ORDERS** that upon the filing of the DIP Lender Certificate, the person or persons identified in the DIP Lender Certificate shall be deemed to be the DIP Lender within the meaning of the DIP Approval Order and shall be entitled to the benefit of the DIP Lender’s Charge, together with all of rights and protections set out in the DIP Approval Order, provided that any such interim financing shall be substantially on terms and subject to conditions set forth in the term sheet attached hereto as Schedule “A”.

EXTENSION OF TIME

5. **THIS COURT ORDER** that the time for the filing of a proposal by the Debtors is hereby extended in accordance with section 50.4(9) of the Bankruptcy and Insolvency Act by a period of eighteen (18) days from September 30, 2022, up to and including October 18, 2022.

APPROVAL OF FOURTH REPORT AND FEES

6. **THIS COURT ORDERS** that the Fourth Report of the Proposal Trustee, and the actions, conduct and activities of the Proposal Trustee set out therein, be and are hereby approved, provided however that only Albert Gelman Inc., in its personal capacity and only with respect to its personal liability, shall be entitled to rely upon or utilize in any way such approval.

7. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee as set out in the Fee Affidavits appended to the Fourth Report be and is hereby approved, and that the Proposal Trustee is hereby authorized and directed to pay the same from available funds.

GENERAL

8. **THIS COURT ORDERS** that any interested party (including the Debtors and the Proposal Trustee) may apply to this Court to vary or amend this Order on net less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

9. **THIS COURT ORDERS** that notwithstanding Rule 59.05, this Order is effective from 12:01 a.m. on the date that it is made and is enforceable without any need for entry and filing.



Term Sheet

July 29, 2022

Private and Confidential

Isaacs Advisory
 100 University Avenue
 North Tower, 5th Floor
 Toronto, ON

Attention: Adrian Isaacs

Dear Adrian:

RE: Term Credit Facility (the "DIP Facility")

We understand that Kuk-Il John Kim and Myoung-Ja Mary Kim (the "**Debtors**") each filed a Notice of Intention to Make a Proposal on April 18, 2022 pursuant to section 50.4 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") and Albert Gelman Inc. was appointed as Trustee in the proposal proceedings (the "**Proposal Trustee**"). The Court has approved an extension of time for the filing of a proposal by the Debtors by August 16, 2022 pursuant to a Court Order dated June 27, 2022.

Hillmount Capital Inc., in its capacity as a lender (the "**Lender**"), wishes to extend a preliminary quote and pursue arranging a formal DIP Loan Agreement (as defined below) in accordance with the terms and conditions detailed below and subject to final approval. The terms and conditions are as follows:

- | | |
|----------------------|--|
| LENDER: | Hillmount Capital Inc. (the " Lender ") |
| BORROWER(S): | Kuk-Il John Kim and Myoung-Ja Mary, Kim (together, or any of them, the " Borrower ") |
| REAL PROPERTY: | 385 Spadina Road, Toronto, ON (the " Real Property ") |
| PRIORITY / SECURITY: | <ol style="list-style-type: none"> 1. DIP Loan Agreement (as defined below). 2. All supporting authorizations, certificates, acknowledgments and legal opinions as the Lender may reasonably require including, without limitation, satisfactory legal opinions of the Lender's lawyer relating to the enforceability and priority of the security. 3. A super-priority court ordered charge over the Real Property in favour of the Lender in priority to all assignments, security interests, trusts, liens, mortgages, charges and encumbrances whatsoever, statutory or otherwise (the "DIP Charge") subject only to the Administration Charge pursuant to a Court Order dated April 28, 2022 in the amount of \$125,000 4. A registered mortgage in 1st position against the Real Property (the "Charge") subject only to the court ordered Administration Charge of \$125,000 (which shall not be increased) to secure professional fees of counsel to the Borrower, the Proposal Trustee and the Proposal Trustee's counsel. 5. Such other security, documentation or assurance to be prepared and registered by the Borrower's lawyer, as may be required by the Lender or the Lender's solicitor. |

Borrower(s)/Guarantor(s) Initials:

Handwritten initials in black ink, appearing to be 'JK' and 'MJ' written together.

DIP FACILITY: Maximum principal amount of \$250,000 (the “DIP Facility”)

FEES: Lender Commitment Fee – 5% of Dip Facility
Lender Legal Fees, Disbursements and HST – To be determined by Lender’s solicitor
The Lender Commitment Fee shall be earned and payable on the date the definitive agreement is entered into governing the financing transaction contemplated by this Term Sheet (the “DIP Loan Agreement”).

ADVANCES: Provided that (i) the Court Order including the DIP Charge has been granted by the Court; (ii) an Event of Default has not occurred; and (iii) demand for payment has not been made, the DIP Facility shall be available by one or, at the option of the Borrower, multiple advances each in the minimum amount of \$50,000. The initial advance and any subsequent advances shall be provided upon request by the Borrower and approved by the Proposal Trustee and shall be available on a minimum of 2 business days prior written request to the Lender. The proceeds of the first advance on the DIP Facility shall be advanced less the following:

- (a) Lender Fees (including Lender Commitment Fee and wiring fees);
- (b) Legal fees and disbursements plus HST thereon;
- (c) All reasonable costs, fees and expenses incurred by the Lender in connection with the negotiation and preparation of this Term Sheet;
- (d) Isaacs Advisory Fees;
- (e) Interest adjustment payment to the 1st of the month; and
- (f) The accounts of the Borrower’s insolvency counsel, WeirFoulds LLP and the Proposal Trustee, Albert Gelman Inc..

INTEREST RATE & PAYMENT: Interest shall be compounded and calculated monthly at the rate of **14% per annum**, not in advance. Interest shall be payable: (i) monthly, in arrears, on the 1st day of each month until the full amount outstanding hereunder on account of the DIP Facility has been paid in full; (ii) in accordance with the Repayment section below; and (iii) upon Maturity (as hereinafter defined).

REPAYMENT: Any amounts received in repayment of obligations owing under the DIP Loan Agreement shall be paid and applied as follows: (i) firstly, towards outstanding interest and costs payable hereunder; (ii) secondly, towards outstanding Permitted Fees and Expenses (as hereinafter defined); and (iii) thirdly, towards outstanding principal hereunder.

PERMITTED FEES & EXPENSES: Permitted Fees and Expenses includes:

- (a) All reasonable costs, fees and expenses incurred by the Lender in connection with the administration of the DIP Facility including any enforcement of the DIP Charge (all such fees and expenses shall be added to the DIP Facility and secured by the DIP Charge);
- (b) All reasonable and documented fees and expenses of counsels for the Borrower and the Proposal Trustee in connection with the DIP Facility and the Insolvency Proceedings; and
- (c) The Administration Charge which charge shall not exceed \$125,000.

LENDER’S SOLICITOR: Fred Tayar – Fred Tayar & Associates Professional Corporation
Tel: (416) 363-1800 Fax: (416) 363-3356 Email: fred@fredtayar.com

TERMS OF LOAN & PREPAYMENT PRIVILEGE: The DIP Facility matures on the earliest of (“Maturity”):

- (a) The date that is 12 months from the date of the DIP Loan Agreement;

Borrower(s)/Guarantor(s) Initials:



- (b) The completion of a sale of the Real Property, as approved by the Lender, the Proposal Trustee and, where required, the Court; and
- (c) The occurrence of an Event of Default.

All amounts outstanding or payable under the DIP Loan Agreement (including principal and all unpaid accrued interest under the DIP Facility and all fees, costs and expenses and other amounts required to be paid by the Borrower) shall be due and payable in full on Maturity.

The DIP Facility can be permanently repaid in whole or in part at any time upon 15 days written notice to the Lender after at least 2 months interest payments have been made.

PURPOSE OF LOAN:

The Loan has been requested by the Borrower for: (i) carrying costs of the Property, including interest payments payable under the DIP Facility; (ii) appraisal costs; (iii) environmental reports, etc.; (iv) fees and disbursements of the Borrower's insolvency counsel, WeirFoulds LLP, and of the Proposal Trustee, Albert Gelman Inc. Once the Borrower has the environmental reports, they will determine if they sell the Property "as is" to a developer/investor or if they will remediate the Property and then sell the Property.

DEFAULT:

The following events shall constitute events of default (each an "Event of Default"):

- (a) If the Borrower fails to pay to the Lender when due any amount of principal, interest or other amounts under the DIP Facility, this Term Sheet or otherwise, whether by acceleration or otherwise;
- (b) If the Borrower defaults, in the observance or performance of any other non-financial term, covenant or condition in this Term Sheet or any other agreement between the Lender and the Borrower entered into on or after the date of the DIP Loan Agreement;
- (c) If the Borrower defaults, in the observance of any Court Orders in relation to the Insolvency Proceedings;
- (d) If the Lender determines, in its sole discretion, acting reasonably, that a material adverse change has occurred after the date hereof in respect of the business, affairs or financial condition of the Borrower;
- (e) If (i) the Insolvency Proceedings are varied without the consent of the Lender or any other order is made which is or may be prejudicial to the Lender's interests, acting reasonably; (ii) the stay of proceedings is terminated or lifted;
- (f) If a receiver is appointed over any property of the Borrower or any judgment or order or process of any court becomes enforceable against the Borrower or any property of the Borrower or any creditor takes possession of any property of the Borrower; and
- (g) If the Borrower becomes a bankrupt under the *Bankruptcy and Insolvency Act*.

REMEDIES:

Upon the occurrence of an Event of Default, the Lender may immediately terminate the DIP Loan Agreement, at which time;

- (a) All amounts outstanding under the DIP Facility and this Term Sheet shall, at the option of the Lender, immediately become due and payable; and
 - i. The DIP Charge may be enforced and the Lender may proceed with any other remedies available to the DIP Lender pursuant to the security granted to the Lender; or
 - ii. Seeking an order of the Court on 10 days prior notice, enforce, without further notice, demand or delay all of its rights and remedies against the Borrower and its property, assets and undertaking including without limitation, by way of

Borrower(s)/Guarantor(s) Initials:



appointment of a receiver or such other proceeding as the Lender may deem appropriate.

ADDITIONAL CONDITIONS
AND REPRESENTATIONS:

The DIP Loan Agreement will be entered into as soon as possible and after (a) receipt of all requested documentation as will be indicated in the DIP Loan Agreement; and (b) the terms and conditions of the DIP Loan Agreement are fulfilled, including (but not limited to) the following:

1. The Borrower obtaining a Court Order on terms acceptable to the Lender, including an Order:
 - a. authorizing the Borrower to enter into and authorizing the Borrower and the Proposal Trustee to perform their obligations under this Term Sheet and a DIP Loan Agreement;
 - b. authorizing the Lender to effect such registrations, filings and recordings that it deems appropriate, in its sole discretion, regarding the security granted to the Lender under the DIP Charge and security obtained in the Court Order;
 - c. granting the Lender a super-priority court ordered charge over all of the present and future real and personal, tangible and intangible property and assets of the Borrower which is only subordinate to the Administration Charge;
 - d. granting the Lender the right, upon the occurrence of an Event of Default (as defined below) and pursuant to the Court Order, to enforce the rights and remedies available to it under the security granted under the Court Order and available at law;
 - e. prohibiting any further borrowing by the Borrower, without the prior written consent of the Lender;
 - f. prohibiting the granting of any additional liens, charges, security interests or any other encumbrances upon the Real Property or assets of the Borrower;
 - g. requiring the Borrower to provide the Lender such reports, schedules and cash flows as is currently being provided to the Proposal Trustee; and
 - h. declaring the Court Order, and the DIP Charge granted thereunder, binding upon a trustee in bankruptcy of the Borrower, receiver, receiver-manager or other officer of the Court.
2. All property taxes on the Real Property to be current at the time of closing. Any arrears in property taxes must be paid in full prior to closing or from the proceeds of this Loan unless the Court orders that the DIP Facility takes priority over any arrears. Borrower(s) to pay property taxes directly and provide confirmation to the Lender, on a quarterly basis, that the property taxes are up to date.
3. Please see Schedule "A" for additional terms of the DIP Loan Agreement.
4. Satisfactory review of adequate fire and building "all risk" insurance on the Real Property by Lender or its independent insurance advisor. The Lender is to be designated as loss payee. The cost of the insurance review by the advisor is the responsibility of the Borrower.
5. It is hereby agreed by and between the Lender and the Borrower that any monies tendered in respect of the DIP Facility payments or other payments due shall be paid by 1 p.m. on the business day upon which they are due. If received after that time (i.e., for computing interest), the monies will be deemed to be received the next business day.
6. Satisfactory inspection of the Property and receipt of an appraisal in the Lender's name. Borrower to be responsible for Lender's inspection fees and letter of transmittal in favour of the Lender and payment of applicable fees.
7. Receipt of and approval by the Lender, within Lender's sole, absolute and unfettered discretion, of all existing environmental information and reports relating to the Property, including any Phase I or Phase II environmental reports, or cost estimates, and the back-up data (specifically, the reports are to include the analysis indicating

Borrower(s)/Guarantor(s) Initials:



where the bore holes were drilled, what testing was done and the results of those testing) (collectively, the "Environmental Information").

POST CLOSING COVENANT OF THE BORROWER As soon as possible after the closing of the Transaction, and provided that advances have been made to the Borrower, the Borrower will deliver updated Environmental Information addressed also to the Lender. Borrower to be responsible for all applicable fees associated with obtaining such reports.

SCHEDULES ATTACHED: The following attached schedule(s) form a part of this Term Sheet: Schedule A – Conditions

In order to proceed, kindly indicate your acceptance of the above terms and conditions by signing below and returning this Term Sheet to the Lender by 5:00pm on August 2, 2022, along with a non-refundable deposit payable to the Lender in the amount of \$2,500.00 (RECEIVED) (the "Deposit"), representing a portion of the non-refundable application fee. The Deposit will be applied against processing a DIP Loan Agreement substantially in accordance with the terms and conditions outlined in this Term Sheet. Please note that this Term Sheet does not constitute a DIP Loan Agreement but is rather an expression of interest.

Yours truly, [Signature] Hillmount Capital 416-849-0322 Lic. #10453 and #11925

ACCEPTANCE OF TERM SHEET BY BORROWER

The Borrower hereby consents to the Lender obtaining credit and/or personal information on the Borrower from any source and each source is hereby authorized to provide such information to the Lender.

I / We accept this Term Sheet and post with the Lender \$2,500.00 representing a portion of the underwriting application and work fees. The Deposit will be non-refundable. The Borrower acknowledges that the Deposit is a reasonable estimate of work costs incurred in sourcing, investigating, underwriting and preparing the DIP Loan Agreement. The Lender will issue a DIP Loan Agreement substantially in accordance with the terms and conditions outlined in this Term Sheet and we agree to forfeit the Deposit as liquidated damages, if because of our / my default for any reason (including discrepancies from application), the loan is not advanced. Providing the loan is advanced fully, the Deposit will be applied towards the Lender Commitment Fee.

Accepted this 29 day of July 2022.

Borrower(s) / Guarantor(s)

[Signature] Name: Kuk-Il John Kim (Borrower)


[Signature] Name: Myoung-Ja Mary Kim (Borrower)

SCHEDULE A – CONDITIONS

Borrower(s)/Guarantor(s) Initials: [Initials]

ACCRUED AND EARNED INTEREST	Accrued interest calculated from the date that this DIP Facility is advanced to the Interest Adjustment Date will be deducted from the initial gross funds advanced. The Interest Adjustment Date is set at the Lender's option. The Borrower shall not be entitled to receive interest, if any, on any funds held in trust by the Lender. Any interest earned shall accrue to the Lender.
REGULATIONS	The Real Property must comply with all municipal, provincial and federal statutes, regulations and requirements.
SURVEY REQUIREMENTS	Prior to any advance of funds under the DIP Facility, Lender may require a survey acceptable to it, showing the lands and the location of the Real Property to be secured by this DIP Charge. This survey is to be prepared, dated, signed and sealed by a duly qualified Provincial Land Surveyor and is to indicate the land area of the property and the location of all improvements and easements or rights-of-way. At the sole discretion of the Lender's lawyer, the survey requirement may not apply with title insurance.
ASSIGNMENT BY LENDER	The Lender shall have 7 normal business days following: the acceptance of the DIP Loan Agreement, and upon receipt of all requested underwriting information to assign all or part of the of the DIP Facility in an amount to be determined by the Lender at its discretion and subject to terms satisfactory to the Lender.
TITLE INSURANCE	At the Lender's sole option, the Borrower may be required to provide title insurance for the Real Property. The cost of the title insurance shall be at the Borrower's expense.
ADDITIONAL PROVISIONS	Our current schedule of administration and servicing fees include (but not limited to) the following charges:
\$500.00	Missed payment fee: Payable for each missed or late installment payment and for replacing and processing each NSF cheque or returned payment for any charge on this property (i.e., 1 st and / or 2 nd mortgagee) or any other creditor (i.e., utility company, property taxes, etc.).
\$300.00	Insurance: Payable for dealing with each cancellation, premium payment or other non-compliance with insurance requirements.
\$5,000.00	Default: Payable for each act or proceeding instituted.
\$100.00	Loan Statements: For preparation of each statement.
\$5,000.00	Possession: For attending to take possession following default.
\$300.00	Administration: For administering maintenance and security of the property in our possession, per day.
\$300.00	Loan Discharge & Statement Fee: For discharge on one property. \$100.00 for each additional property.
\$250.00	Tax Default Fee: For failure by the Borrower to provide satisfactory confirmation of tax payments.
\$200.00	Annual Tax Account Administration Fee: For administering and maintaining the tax account
\$300.00	For each written request necessitated by the Lender not replacing dishonoured cheques forthwith
\$250.00	Failure to notify Lender of registration of lien by the Condominium Corporation for common maintenance arrears
\$495.00	For each hour of administrative time spent by the Lender or its agent in dealing with issues of default related to this loan. This rate does not apply to solicitor services
\$300.00	Inspection Fee (per property)
\$90.00	Bank Wire Transfer Fee

The Lender reserves the right to charge reasonable fees for other administrative services. Renewal and renewal fee to be at the discretion of the Lender. In the event of a further occurrence of the administrative fees as set out herein, the administrative fees shall increase by a further sum of \$50.00 and this shall be on a cumulative basis.

Borrower(s)/Guarantor(s) Initials: 

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

**ORDER
(Extension and Amending DIP Approval Order)**

WeirFoulds LLP
66 Wellington Street West, Suite 4100
P.O. Box 35, Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO #45615U)
pcho@weirfoulds.com

Tel: 416-365-1110
Fax: 416-365-1876

Lawyers for Kuk-Ill John Kim and Myoung-Ja Mary Kim

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

**In the Matter of the Notice of Intention to
Make a Proposal of Kuk-Il John Kim**

**and in the Matter of the Notice of Intention to
Make a Proposal of Myoung-Ja Mary Kim**

**FOURTH REPORT OF ALBERT GELMAN INC.
IN ITS CAPACITY AS PROPOSAL TRUSTEE**

(Dated September 27, 2022)

I. INTRODUCTION

1. This fourth report ("**Fourth Report**") is filed by Albert Gelman Inc. ("**AGI**") in its capacity as proposal trustee (the "**Proposal Trustee**") in connection with a Notice of Intention to Make a Proposal ("**NOI**") filed by Kuk-Il John Kim ("**John Kim**") and Myoung-Ja Mary Kim ("**Mary Kim**" and, together with John Kim, the "**Debtors**") on April 18, 2022 under Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Attached hereto at **Appendix "A"** are copies of the NOI and Certificates of Appointment issued by the Office of the Superintendent of Bankruptcy for each of the Debtors.

2. On April 28, 2022 on a motion made by the Debtors the Honourable Justice Conway granted an order (the "**April 28 Order**") approving, among other things, an administrative consolidation of the Debtors proposal proceedings, an extension of the stay of proceedings afforded under the NOI to July 2, 2022, an administrative charge and authority for the Debtors' to enter into a listing agreement with a real estate agent to list the Real Property. A copy of the April 28 Order and related Endorsement are attached hereto as **Appendix "B"**.

3. The Proposal Trustee prepared a report in respect of the April 28, 2022 motion dated April 27, 2022 (the "**First Report**"). Attached hereto as **Appendix "C"** is a copy of the First Report, without appendices.

4. On June 27, 2022, on a motion made by the Debtors, the Honourable Justice Osborne granted an order (the "**June 27 Order**") approving, among other things, a further extension of the stay of proceedings afforded under the NOI to August 16, 2022. A copy of the June 27 Order and related Endorsement are attached hereto as **Appendix "D"**.

5. The Proposal Trustee prepared a report in respect of the June 27, 2022 motion dated June 22, 2022 (the “**Second Report**”). Attached hereto as **Appendix “E”** is a copy of the Second Report, without appendices.

6. On August 5, 2022, on a motion made by the Debtors, the Honourable Justice Dietrich granted an order (the “**August 5 Order**”) approving, among other things, a further extension of the stay of proceedings afforded under the NOI to September 30, 2022 and the DIP Facility and DIP Charge (both terms defined in the Third Report). A copy of the August 5 Order and related Endorsement are attached hereto as **Appendix “F”**.

7. The Proposal Trustee prepared a report in respect of the August 5, 2022 motion dated August 2, 2022 (the “**Third Report**”). Attached hereto as **Appendix “G”** is a copy of the Third Report, without appendices.

8. The Debtors are making a motion to the Court returnable September 28, 2022 (the “**September 28 Motion**”) seeking various relief. This Fourth Report has been prepared in response to and in support of the Debtors’ August 5 Motion.

9. On their September 28 Motion, the Debtors are seeking, amongst other things, an Order:

- a. further extending the time for each of the Debtors to file a proposal to October 18, 2022 (the “**Fourth Stay Extension**”); and,
- b. amending the August 5 Order to allow a substitute lender, if available, to provide debtor-in-possession (“**DIP**”) financing to the Debtors; and,
- c. approving the activities and fees of the Proposal Trustee.

10. Silver Kim, the adult son of both Debtors, has included with the September 28 Motion an affidavit sworn on September 26, 2022 (the “**Silver Affidavit**”), in support of the relief being sought. The Proposal Trustee has reviewed the Silver Affidavit and has no reason to doubt or otherwise challenge the facts attested to therein.

11. For the reasons explained herein, the Proposal Trustee supports the relief sought by the Debtors at their August 5 Motion.

II. PURPOSE OF THIS REPORT

12. The purpose of this Fourth Report is to:

- a. provide the Court with relevant information pertaining to the Debtors which is not otherwise described in the Silver Affidavit;
- b. provide information to the Court regarding the actions and activities of the Proposal Trustee subsequent to the date of the Third Report; and,

- c. provide the Court with the Proposal Trustee's recommendations in respect of the relief sought by the Debtors.

III. SCOPE AND TERMS OF REFERENCE

13. In preparing this Fourth Report, the Proposal Trustee has relied upon certain unaudited financial information, the Debtors books and records, discussions with the Debtors, discussions with Silver Kim, discussions with the Debtors' legal counsel, WeirFoulds LLP, and discussions with legal counsel to the DIP Lender, Mr. Fred Tayar.

14. While the Proposal Trustee has reviewed various documents provided by the Debtors, such review does not constitute an audit or verification of such information for accuracy or completeness.

15. This Fourth Report has been prepared for the use of this Court and the Debtors' stakeholders as general information relating to the Debtors and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Fourth Report may not be appropriate for any other purpose. The Proposal Trustee will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Fourth Report contrary to the provisions of this paragraph.

16. Unless otherwise noted, all monetary amounts referenced are in Canadian dollars.

17. Terms not otherwise defined herein shall have the meanings ascribed to them in either the First Report, Second Report or Third Report.

IV. ACTIVITIES OF THE PROPOSAL TRUSTEE

18. Since the date of the Third Report the Proposal Trustee has undertaken, among other things, the following activities:

- a. communicated with the Debtors' legal counsel as well as counsel to the DIP Lender, Mr. Fred Tayar, regarding the status of the DIP Facility;
- b. continued to communicate with the Debtors' legal counsel regarding the process for marketing and selling the Real Property; and,
- c. maintained a Case Webpage with electronic copies of the Court materials related to these restructuring proceedings, located at www.albertgelman.com/corporate-solutions/other-engagements.

V. DEBTOR-IN-POSSESSION FINANCING

19. As noted above, on August 5, 2022 Justice Dietrich granted an order approving, among other things, a DIP Facility as between the Debtors and the DIP Lender (Hillmount Capital Inc.). Subsequent to the date of the August 5 Order legal counsel to the Debtors provided the DIP Lender with information and documents

which it required in order to satisfy itself with respect to the remaining conditions set out in the Term Sheet. However, ultimately, the DIP Lender could not satisfy itself with respect to the Environmental Information (defined in the Term Sheet) condition and, therefore, the DIP financing transaction was not finalized.

20. The Debtors' continue to require DIP financing in order to undertake the activities set out in the Third Report with respect to the contamination of the Real Property. However, at this time, the Debtors' have been unable to locate a substitute DIP lender. The Debtors' legal counsel has canvassed the major stakeholders, including the two litigation creditors, to determine if these parties are willing and able to 'step into the shoes' of the DIP Lender and finalize a DIP Facility on the terms set out in the August 5 Order. Therefore, at this time, the Debtors' are requesting that this Court amended the August 5 Order such that a substitute DIP lender, if available, may provide the Debtors with DIP financing on the terms set out on the Term Sheet and August 5 Order. The substitute DIP lender is not known as of the date of this Fourth Report.

21. The Trustee supports the Debtors request for this relief as it believes that DIP financing, if obtained, would facilitate the Debtors' ability to undertake the necessary pre-marketing steps such that when the Real Property is ultimately listed the highest and best price may be realized.

VI. REQUEST FOR EXTENSION

22. The Debtors are seeking the Fourth Stay Extension pursuant to subsection 50.4(9) of the BIA.

23. The Proposal Trustee supports the Fourth Stay Extension as it is of the opinion that:

- a. the Debtors have acted, and are acting, in good faith and with due diligence;
- b. the Debtors would likely be able to make a viable Proposal if the extension being applied for were granted; and,
- c. no creditor would be materially prejudiced if the extension being applied for were granted.

24. The Proposal Trustee is also of the opinion that a Proposal developed by the Debtors would likely result in a more orderly and efficient process to realize upon the Debtors sole asset, being the Real Property, than would be the case if the Debtors were both deemed or otherwise become bankrupt.

VII. ACCOUNTS OF THE PROPOSAL TRUSTEE

25. In accordance with paragraph 9 of the April 28 Order the fees and disbursements of the Proposal Trustee may be approved by the Court and referred to a judge for such purpose.

26. Attached hereto as **Appendix "H"** and **Appendix "I"** are the Affidavits of Tom McElroy regarding the Proposal Trustee's fees to September 26, 2022 (accompanied by the supporting time dockets) for John Kim and Mary Kim, respectively (the "**Fee Affidavits**").

27. The Proposal Trustee is of the opinion that its fees, as set out in the Fee Affidavits, are fair and reasonable, justified in the circumstances, and accurately reflect the work done by the Proposal Trustee in connection with these NOI proceedings.

28. The Proposal Trustee therefore requests and recommends the approval the fees and disbursements set out in the Fee Affidavits.

VIII. PROPOSAL TRUSTEE'S RECOMMENDATION


29. For the reasons explained herein, the Proposal Trustee respectfully recommends that this Honourable Court make an Order or Orders approving:

- a. the Fourth Stay Extension;
- b. amending the August 5 Order to allow a substitute lender, if available, to provide DIP financing to the Debtors;
- c. the actions and activities of the Proposal Trustee as described in this Fourth Report; and,
- d. the fees and disbursements of the Proposal Trustee as set out in the Fee Affidavits.

All of which is respectfully submitted this 27th day of September 2022

**ALBERT GELMAN INC., solely in its
capacity as Trustee of re the Notice of
Intention to Make a Proposal of
Kuk-III John Kim and Myoung-Ja Mary Kim
and not its Personal or any other Capacity**

Per:



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

District of Ontario
Division No.: 09 - Toronto
Estate No.: 31-2822607
Court No.: 31-2822607

ONTARIO
SUPERIOR COURT OF JUSTICE
(In Bankruptcy and Insolvency)

In the Matter of the Proposal of
Kuk-III John Kim
of the City of Markham, in the Province of Ontario

PROPOSAL
(Dated October 18, 2022)

Kuk-III John Kim, the above-named Debtor (the “**Debtor**”), hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. (1985), c.B-3, as amended (the “**BIA**”).

1. DEFINITIONS

In this Proposal, the following terms have the meaning herein set out:

- (a) **Administration Charge.** A charge on the Real Property as security for the professional fees and disbursements of the Trustee and counsel to the Debtor granted pursuant to the Order of Justice Conway dated April 28, 2022, which charge shall not exceed an aggregate amount of \$125,000.
- (b) **Claim.** A “claim provable” as defined in the BIA. For clarification, this includes any debt or liability, present or future, to which the Debtor was subject on the NOI Date or to which the Debtor may become subject before the Completion Date by reason of any obligation incurred before the NOI Date whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date. In the event of any inconsistency between this definition and the definition of “claim provable” as defined in the BIA, the terms of the BIA shall prevail.

- (c) **Completion Date.** The date on which the Trustee files its certificate of completion, certifying that this Proposal has been fully performed by the Debtor.
- (a) **CRA.** Canada Revenue Agency.
- (b) **Creditors Meeting.** The term as defined in Paragraph 9(d).
- (c) **Debtor's Legal Fees and Disbursements.** The legal fees and disbursements incurred by the Debtor including the taxed legal fees incurred by the Debtor for its counsel, WeirFoulds LLP, for legal advice, for preparation of the Proposal as well as for any/all other legal matters related to these restructuring proceedings plus disbursements and HST and shall be paid out of the Proposal Fund in priority to all Claims of Unsecured Creditors.
- (d) **Debtor's Spouse.** Myoung-Ja Mary Kim.
- (e) **Debtor's Spouse's Proposal.** Proposal filed under the BIA on October 18, 2022 by the Debtor's Spouse (estate no.: 31-2822601).
- (f) **DIP Charge.** A charge on the Real Property as security for the Debtor's obligations to the DIP Lender, if any, granted pursuant to the Order of Justice Dietrich dated August 5, 2022, as amended by the Order of Justice Osborne dated September 28, 2022, which charge shall not exceed an aggregate amount of \$250,000.
- (g) **DIP Lender.** The lender, if any, that has agreed to provide interim financing to the Debtor in accordance with the Order of Justice Dietrich dated August 5, 2022, as amended by the Order of Justice Osborne dated September 28, 2022.
- (h) **Final Approval.** Acceptance of the Proposal by the creditors of the Debtor and approval by the Court, both in accordance with the BIA, and any appeal period with respect to Court approval having expired.
- (i) **Inspectors.** The term as defined in Paragraph 9(d).
- (j) **Net Proceeds.** The term as defined in paragraph 8(a).
- (k) **NOI Date.** The date on which the Debtor filed a Notice of Intention to Make a Proposal in contemplation of this Proposal with the Official Receiver being April 18, 2022.
- (l) **Ordinary Creditor.** An Unsecured Creditor that is not a Preferred Creditor.
- (m) **Preferred Creditor.** An Unsecured Creditor in respect of any Claim that would be payable in priority to other Unsecured Creditors pursuant to the provisions of s.136 of the BIA.

- (n) **Proposal.** This Proposal, as it may be amended from time to time.
- (o) **Proposal Date.** The date of the initial filing of the Proposal with the Official Receiver.
- (p) **Proposal Period.** The period between the date of Final Approval and the Completion Date.
- (q) **Proven Claim.** Any Claim which is the subject of a proof of claim that has been filed with the Trustee and admitted by the Trustee in accordance with the BIA.
- (r) **Real Property.** The real property known municipally as 385 Spadina Road, Toronto, Ontario (PIN: 21188-0135 (LT)) which the Debtor has disclosed being an owner of as joint tenant. The Debtor's Spouse is the other owner as joint tenant.
- (s) **Secured Creditor.** A creditor holding security against the property of the Debtor in respect of their Claim as "secured creditor" is defined in the BIA.
- (t) **Trustee.** Albert Gelman Inc., as Licensed Insolvency Trustee to the Proposal of the Debtor.
- (u) **Trustee's Fees and Disbursements.** The fees and disbursements of the Trustee incidental to the proceedings arising out of the Proposal including: (i) The Trustee's fees which shall be based on the amount of time spent in respect of the Proposal including applicable HST; and (ii) all reasonable expenses and disbursements incurred by the Trustee including, without limitation, any legal fees; plus any applicable taxes on those expenses and disbursements. For the purposes of calculating its fees, the Trustee will track the time spent by its staff in respect of and incidental to the Proposal and shall bill that time on an hourly-rate basis at its prevailing rates. The Trustee's hourly billing rates for its professional and administrative staff are subject to change without notice. The Trustee's Fees and Disbursements shall be paid in priority to all Claims of creditors. The Trustee shall be at liberty to withdraw and pay the Trustee's fees and disbursements from the Proposal Fund (as defined below), from time to time subject to final taxation by the Registrar in Bankruptcy upon completion of the Proposal.
- (v) **Unsecured Creditor.** A creditor having a Claim against the Debtor other than a Secured Creditor. An Unsecured Creditor includes both an Ordinary Creditor and Preferred Creditor, and includes a Secured Creditor in respect of any Claim or portion of their Claim that is not secured (if any).

2. PURPOSE OF PROPOSAL

- (a) The purpose of this Proposal to effect a restructuring of the indebtedness of the Debtor in the manner contemplated herein and as permitted by the Act in the expectation that all Unsecured Creditors will derive a greater benefit from the restructuring than would result from a bankruptcy of the Debtor.
- (b) During the Proposal Period, and provided that a default under this Proposal has not occurred and is continuing hereunder, all Unsecured Creditors will be stayed from commencing or continuing any proceeding or remedy against the Debtor or any of his property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Debtor in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

3. CLASSIFICATION OF CREDITORS

- (a) For the purpose of this Proposal, the Unsecured Creditors of the Debtor shall be comprised of a single class, consisting of all Unsecured Creditors ("Class 1"), which, for greater certainty, shall include Preferred Creditors entitled to vote pursuant to the BIA.

4. DEBTS OWED TO THE CROWN¹

- (a) Proven Claims of His Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of provincial legislation that were outstanding on the NOI Date shall be paid in full within six (6) months of Final Approval of this Proposal unless His Majesty in Right of Canada or a province consents to some other arrangement. The amount payable pursuant to this section of the Proposal will be paid directly by the Debtor to the CRA.

5. SECURED CREDITORS²

- (a) This Proposal is not made to Secured Creditors. Payment of the Claims of Secured Creditors shall be made in the usual manner or as may be agreed between the Debtor and the Secured Creditors.

¹ There are no known claims falling within this category as at the date of this Proposal.

² There are no known Secured Creditors as at the date of filing this Proposal.

6. PREFERRED CREDITORS³

- (a) For the purposes of paragraph 8(b) of this Proposal, Proven Claims of Preferred Creditors, without interest, shall be paid in priority to all Ordinary Creditors in accordance with the order of priorities set out in section 136 of the BIA;
- (b) Any partial or interim payments made under this Proposal to multiple Preferred Creditors with the same level of priority under the BIA shall be paid on a *pro rata* and *pari passu* basis among those creditors.

7. REAL PROPERTY

- (a) As soon as is reasonably practicable following the filing of this Proposal, the Debtor will enter into a listing agreement for sale of the Real Property with a commercial real estate broker. The Debtor will make commercially reasonable best efforts to sell the Real Property and to close such sale transaction within one (1) year of the date of filing this Proposal. In respect of any accepted offer to purchase the Real Property, the Debtor will seek an order approving such transaction and vesting the Real Property in and to the purchaser.
- (b) The Debtor's Spouse's Proposal includes the same provision as set out in paragraph 7(a) above.

8. UNSECURED CREDITORS

- (a) The Debtor's proceeds from the sale of the Real Property, net of realtor commissions and costs (incl. HST), legal fees, property taxes, the Administration Charge and/or any other costs or expenses associated with listing and selling the Real Property (the "**Net Proceeds**"), shall be paid to the Trustee upon the closing of the sale of the Real Property.
- (b) The Trustee shall distribute the Net Proceeds in the following order:
 - i. Payment of the Trustee's Fees and Disbursements;
 - ii. Payment of the Debtor's Legal Fees and Disbursements;
 - iii. Payment of the amounts, if any, owing to the DIP Lender and secured by the DIP Charge;
 - iv. Payment of Proven Claims of Preferred Creditors, if any, in full;
 - v. Payment of Proven Claims to Ordinary Creditors on a *pro rata* and *pari passu* basis.
- (c) Any payments made by or on behalf of the Debtor under this Proposal shall be applied to the scheduled payments in the order they come due unless otherwise specified by the Debtor. The Debtor shall have the right to prepay any or all of the

³ There are no known Preferred Creditors as at the date of filing this Proposal.

balance due under the Proposal prior to the expiration of the scheduled payment terms without interest or penalty. Any prepayment shall not accelerate the due date of any other payment(s) still outstanding unless otherwise specified in this Proposal.


- (d) In accordance with section 147 of the BIA, the Superintendent of Bankruptcy levy shall be deducted from all distributions to Unsecured Creditors except where the BIA does not require the levy.
- (e) By casting a vote with the Trustee in favour (or 'For') this Proposal each Unsecured Creditor (including Preferred Creditors) agrees that their respective Claim does not fall within the definition of BIA section 178, debts not released by order of discharge.

9. GENERAL PROVISIONS

- (a) The Trustee is acting solely in its capacity as Licensed Insolvency Trustee under this Proposal and not in its personal or corporate capacity. The Trustee shall have the powers granted to it by the Proposal, by the BIA, and by any order of the Court. The Trustee and its officer(s), director(s), employee(s) or agent(s) are not and shall not be responsible or liable for any obligations of the Debtor, and shall be exempt from all personal and corporate liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.
- (b) Sections 95 to 101 of the BIA (with the exception of section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business or financial affairs.
- (c) All payments required to be paid by or on behalf of the Debtor under the terms of this Proposal shall be paid over to the Trustee unless otherwise stated herein. The Trustee shall make all payments out of the funds paid to it in accordance with the terms of this Proposal.
- (d) At the meeting of creditors to consider this Proposal (the "**Creditors Meeting**"), the creditors may, by vote in accordance with the BIA, appoint up to five inspectors (the "**Inspectors**") who will have, in addition to any powers of inspectors under the BIA, the power to:
 - i. receive any notice of default in the performance of the Proposal and waive any such default;
 - ii. increase the time period set out in paragraph 7(a);

- iii. advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and,
 - iv. extend the time for any payment due under this Proposal.
- (e) All proper Claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date up to the date of approval of this Proposal by the Superior Court of Justice, in Bankruptcy and Insolvency, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the Claims of all other Creditors.
- (f) At 12:01 a.m. on the Completion Date, the Debtor shall be forever released and discharged from any and all Claims. This release shall have no force or effect if the Debtor becomes bankrupt before the terms of the Proposal are fully performed.
- (g) The Debtor may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.
- (h) Any notices or communications in respect of this Proposal shall be delivered to the Debtor at the address set out below:
- Kuk-Il John Kim
c/o WeirFoulds LLP
4100 – 66 Wellington Street West
PO Box 35, TD Bank Tower
Toronto, Ontario M5K 1B7
Attention: Philip Cho
E-mail: pcho@weirfoulds.com
- (i) For purposes of this Proposal, Claims denominated in a currency other than Canadian Dollars will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

Dated at Toronto, Ontario this 18th day of October 2022


Name: Kuk-Il John Kim

District of Ontario
Division No.: 09 - Toronto
Estate No.: 31-2822601
Court No.: 31-2822601

ONTARIO
SUPERIOR COURT OF JUSTICE
(In Bankruptcy and Insolvency)

In the Matter of the Proposal of
Myoung-Ja Mary Kim
of the City of Markham, in the Province of Ontario

PROPOSAL
(Dated October 18, 2022)

Myoung-Ja Mary Kim, the above-named Debtor (the “**Debtor**”), hereby submits the following Proposal under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. (1985), c.B-3, as amended (the “**BIA**”).

1. DEFINITIONS

In this Proposal, the following terms have the meaning herein set out:

- (a) **Administration Charge.** A charge on the Real Property as security for the professional fees and disbursements of the Trustee and counsel to the Debtor granted pursuant to the Order of Justice Conway dated April 28, 2022, which charge shall not exceed an aggregate amount of \$125,000.
- (b) **Claim.** A “claim provable” as defined in the BIA. For clarification, this includes any debt or liability, present or future, to which the Debtor was subject on the NOI Date or to which the Debtor may become subject before the Completion Date by reason of any obligation incurred before the NOI Date whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, surety or otherwise, and whether or not such a right is executory in nature, including, without limitation, any claim referred to in this Proposal in respect of the termination or disclaimer by the Debtor of a lease, any product warranty liability and the right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause of action or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or on the NOI Date. In the event of any inconsistency between this definition and the definition of “claim provable” as defined in the BIA, the terms of the BIA shall prevail.

- (c) **Completion Date.** The date on which the Trustee files its certificate of completion, certifying that this Proposal has been fully performed by the Debtor.
- (a) **CRA.** Canada Revenue Agency.
- (b) **Creditors Meeting.** The term as defined in Paragraph 9(d).
- (c) **Debtor's Legal Fees and Disbursements.** The legal fees and disbursements incurred by the Debtor including the taxed legal fees incurred by the Debtor for its counsel, WeirFoulds LLP, for legal advice, for preparation of the Proposal as well as for any/all other legal matters related to these restructuring proceedings plus disbursements and HST and shall be paid out of the Proposal Fund in priority to all Claims of Unsecured Creditors.
- (d) **Debtor's Spouse.** Kuk-Il John Kim.
- (e) **Debtor's Spouse's Proposal.** Proposal filed under the BIA on October 18, 2022 by the Debtor's Spouse (estate no.: 31-2822607).
- (f) **DIP Charge.** A charge on the Real Property as security for the Debtor's obligations to the DIP Lender, if any, granted pursuant to the Order of Justice Dietrich dated August 5, 2022, as amended by the Order of Justice Osborne dated September 28, 2022, which charge shall not exceed an aggregate amount of \$250,000.
- (g) **DIP Lender.** The lender, if any, that has agreed to provide interim financing to the Debtor in accordance with the Order of Justice Dietrich dated August 5, 2022, as amended by the Order of Justice Osborne dated September 28, 2022.
- (h) **Final Approval.** Acceptance of the Proposal by the creditors of the Debtor and approval by the Court, both in accordance with the BIA, and any appeal period with respect to Court approval having expired.
- (i) **Inspectors.** The term as defined in Paragraph 9(d).
- (j) **Net Proceeds.** The term as defined in paragraph 8(a).
- (k) **NOI Date.** The date on which the Debtor filed a Notice of Intention to Make a Proposal in contemplation of this Proposal with the Official Receiver being April 18, 2022.
- (l) **Ordinary Creditor.** An Unsecured Creditor that is not a Preferred Creditor.
- (m) **Preferred Creditor.** An Unsecured Creditor in respect of any Claim that would be payable in priority to other Unsecured Creditors pursuant to the provisions of s.136 of the BIA.

- (n) **Proposal.** This Proposal, as it may be amended from time to time.
- (o) **Proposal Date.** The date of the initial filing of the Proposal with the Official Receiver.
- (p) **Proposal Period.** The period between the date of Final Approval and the Completion Date.
- (q) **Proven Claim.** Any Claim which is the subject of a proof of claim that has been filed with the Trustee and admitted by the Trustee in accordance with the BIA.
- (r) **Real Property.** The real property known municipally as 385 Spadina Road, Toronto, Ontario (PIN: 21188-0135 (LT)) which the Debtor has disclosed being an owner of as joint tenant. The Debtor's Spouse is the other owner as joint tenant.
- (s) **Secured Creditor.** A creditor holding security against the property of the Debtor in respect of their Claim as "secured creditor" is defined in the BIA.
- (t) **Trustee.** Albert Gelman Inc., as Licensed Insolvency Trustee to the Proposal of the Debtor.
- (u) **Trustee's Fees and Disbursements.** The fees and disbursements of the Trustee incidental to the proceedings arising out of the Proposal including:
 - (i) The Trustee's fees which shall be based on the amount of time spent in respect of the Proposal including applicable HST; and
 - (ii) all reasonable expenses and disbursements incurred by the Trustee including, without limitation, any legal fees; plus any applicable taxes on those expenses and disbursements. For the purposes of calculating its fees, the Trustee will track the time spent by its staff in respect of and incidental to the Proposal and shall bill that time on an hourly-rate basis at its prevailing rates. The Trustee's hourly billing rates for its professional and administrative staff are subject to change without notice. The Trustee's Fees and Disbursements shall be paid in priority to all Claims of creditors. The Trustee shall be at liberty to withdraw and pay the Trustee's fees and disbursements from the Proposal Fund (as defined below), from time to time subject to final taxation by the Registrar in Bankruptcy upon completion of the Proposal.
- (v) **Unsecured Creditor.** A creditor having a Claim against the Debtor other than a Secured Creditor. An Unsecured Creditor includes both an Ordinary Creditor and Preferred Creditor, and includes a Secured Creditor in respect of any Claim or portion of their Claim that is not secured (if any).

2. PURPOSE OF PROPOSAL

- (a) The purpose of this Proposal to effect a restructuring of the indebtedness of the Debtor in the manner contemplated herein and as permitted by the Act in the expectation that all Unsecured Creditors will derive a greater benefit from the restructuring than would result from a bankruptcy of the Debtor.
- (b) During the Proposal Period, and provided that a default under this Proposal has not occurred and is continuing hereunder, all Unsecured Creditors will be stayed from commencing or continuing any proceeding or remedy against the Debtor or any of her property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Debtor in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

3. CLASSIFICATION OF CREDITORS

- (a) For the purpose of this Proposal, the Unsecured Creditors of the Debtor shall be comprised of a single class, consisting of all Unsecured Creditors ("Class 1"), which, for greater certainty, shall include Preferred Creditors entitled to vote pursuant to the BIA.

4. DEBTS OWED TO THE CROWN¹

- (a) Proven Claims of His Majesty in right of Canada or a province of all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of provincial legislation that were outstanding on the NOI Date shall be paid in full within six (6) months of Final Approval of this Proposal unless His Majesty in Right of Canada or a province consents to some other arrangement. The amount payable pursuant to this section of the Proposal will be paid directly by the Debtor to the CRA.

5. SECURED CREDITORS²

- (a) This Proposal is not made to Secured Creditors. Payment of the Claims of Secured Creditors shall be made in the usual manner or as may be agreed between the Debtor and the Secured Creditors.

¹ There are no known claims falling within this category as at the date of this Proposal.

² There are no known Secured Creditors as at the date of filing this Proposal.

6. PREFERRED CREDITORS³

- (a) For the purposes of paragraph 8(b) of this Proposal, Proven Claims of Preferred Creditors, without interest, shall be paid in priority to all Ordinary Creditors in accordance with the order of priorities set out in section 136 of the BIA;
- (b) Any partial or interim payments made under this Proposal to multiple Preferred Creditors with the same level of priority under the BIA shall be paid on a *pro rata* and *pari passu* basis among those creditors.

7. REAL PROPERTY

- (a) As soon as is reasonably practicable following the filing of this Proposal, the Debtor will enter into a listing agreement for sale of the Real Property with a commercial real estate broker. The Debtor will make commercially reasonable best efforts to sell the Real Property and to close such sale transaction within one (1) year of the date of filing this Proposal. In respect of any accepted offer to purchase the Real Property, the Debtor will seek an order approving such transaction and vesting the Real Property in and to the purchaser.
- (b) The Debtor's Spouse's Proposal includes the same provision as set out in paragraph 7(a) above.

8. UNSECURED CREDITORS

- (a) The Debtor's proceeds from the sale of the Real Property, net of realtor commissions and costs (incl. HST), legal fees, property taxes, the Administration Charge and/or any other costs or expenses associated with listing and selling the Real Property (the "**Net Proceeds**"), shall be paid to the Trustee upon the closing of the sale of the Real Property.
- (b) The Trustee shall distribute the Net Proceeds in the following order:
 - i. Payment of the Trustee's Fees and Disbursements;
 - ii. Payment of the Debtor's Legal Fees and Disbursements;
 - iii. Payment of the amounts, if any, owing to the DIP Lender and secured by the DIP Charge;
 - iv. Payment of Proven Claims of Preferred Creditors, if any, in full;
 - v. Payment of Proven Claims to Ordinary Creditors on a *pro rata* and *pari passu* basis.
- (c) Any payments made by or on behalf of the Debtor under this Proposal shall be applied to the scheduled payments in the order they come due unless otherwise specified by the Debtor. The Debtor shall have the right to prepay any or all of the

³ There are no known Preferred Creditors as at the date of filing this Proposal.

balance due under the Proposal prior to the expiration of the scheduled payment terms without interest or penalty. Any prepayment shall not accelerate the due date of any other payment(s) still outstanding unless otherwise specified in this Proposal.

- (d) In accordance with section 147 of the BIA, the Superintendent of Bankruptcy levy shall be deducted from all distributions to Unsecured Creditors except where the BIA does not require the levy.
- (e) By casting a vote with the Trustee in favour (or 'For') this Proposal each Unsecured Creditor (including Preferred Creditors) agrees that their respective Claim does not fall within the definition of BIA section 178, debts not released by order of discharge.

9. GENERAL PROVISIONS

- (a) The Trustee is acting solely in its capacity as Licensed Insolvency Trustee under this Proposal and not in its personal or corporate capacity. The Trustee shall have the powers granted to it by the Proposal, by the BIA, and by any order of the Court. The Trustee and its officer(s), director(s), employee(s) or agent(s) are not and shall not be responsible or liable for any obligations of the Debtor, and shall be exempt from all personal and corporate liability in fulfilling any duties or exercising any powers conferred upon it by the Proposal or generally in carrying out the terms of this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.
- (b) Sections 95 to 101 of the BIA (with the exception of section 97(3)) shall not apply in connection with this Proposal or any dealing by the Debtor prior to the NOI Date and the Trustee shall have no responsibility, liability or authority whatsoever in connection therewith. The Trustee shall not monitor or in any way manage the Debtor's business or financial affairs.
- (c) All payments required to be paid by or on behalf of the Debtor under the terms of this Proposal shall be paid over to the Trustee unless otherwise stated herein. The Trustee shall make all payments out of the funds paid to it in accordance with the terms of this Proposal.
- (d) At the meeting of creditors to consider this Proposal (the "**Creditors Meeting**"), the creditors may, by vote in accordance with the BIA, appoint up to five inspectors (the "**Inspectors**") who will have, in addition to any powers of inspectors under the BIA, the power to:
 - i. receive any notice of default in the performance of the Proposal and waive any such default;
 - ii. increase the time period set out in paragraph 7(a);

- iii. advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee; and,
 - iv. extend the time for any payment due under this Proposal.
- (e) All proper Claims against the Debtor arising with respect to goods supplied, services rendered, or other consideration given or provided after the NOI Date up to the date of approval of this Proposal by the Superior Court of Justice, in Bankruptcy and Insolvency, and not otherwise dealt with pursuant to this Proposal, shall be paid in full by the Debtor in the ordinary course, in priority to the Claims of all other Creditors.
- (f) At 12:01 a.m. on the Completion Date, the Debtor shall be forever released and discharged from any and all Claims. This release shall have no force or effect if the Debtor becomes bankrupt before the terms of the Proposal are fully performed.
- (g) The Debtor may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.
- (h) Any notices or communications in respect of this Proposal shall be delivered to the Debtor at the address set out below:
- Myoung-Ja Mary Kim
c/o WeirFoulds LLP
4100 – 66 Wellington Street West
PO Box 35, TD Bank Tower
Toronto, Ontario M5K 1B7
Attention: Philip Cho
E-mail: pcho@weirfoulds.com
- (i) For purposes of this Proposal, Claims denominated in a currency other than Canadian Dollars will be converted to Canadian Dollars at the closing spot rate of exchange of the Bank of Canada on the NOI Date.

Dated at Toronto, Ontario this 18th day of October 2022


Name: Myoung-Ja Mary Kim

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-2822607
Estate No.: 31-2822607

In the matter of the Proposal of
Kuk-III John Kim
of the City of Markham, in the Province of Ontario

Minutes of the First Meeting of Creditors

Trustee: Albert Gelman Inc. (“**AGI**” or the “**Trustee**”)
Debtor: Kuk-III John Kim (the “**Debtor**”)
Chairperson: Tom McElroy
Date of First Meeting of Creditors: November 8, 2022 at 1:00 p.m.
Location: Via videoconference

Attendees: Tom McElroy, Chairperson
Kuk-III John Kim, Debtor
Myoung-Ja Mary Kim, Debtor's spouse
Philip Cho, counsel to the Debtor
Jacquelyn Stevens, proxy for Willms & Shire Environmental Lawyers LLP
Raffaele Sparano, proxy for Bosung Investments Inc., Byoung Ok Han and Jae Yol Han
Brendan Wong, proxy for Lee-Mar Developments Limited

The meeting was called to order at 1:00 p.m.

The Chairman examined the unsecured proof of claim filed by Willms & Shire Environmental Lawyers LLP (“**Willms & Shire**”) as well as the proxy received from the Willms & Shire appointing Jacquelyn Stevens as their general proxy. The Chairperson established that there was a quorum.

A brief discussion took place amongst the attendees about the terms of the Proposal.


Mr. Brendan Wong advised that he was in favour of adjourning the creditor meeting, however, if he was not satisfied with the progress that was being made in terms of retaining a realtor and listing the real property, he would request that the Trustee call a creditor meeting earlier. The Trustee and counsel for the Debtor's advised Mr. Wong that he could contact them informally to request and update prior to the next scheduled creditor meeting. Mr. Wong acknowledged that he was satisfied with this approach.

Adjournment

Jacquelyn Stevens, acting in her capacity as Willms & Shire's general proxy, made a motion to adjourn the first meeting of creditors to February 8, 2023 at 1 p.m. to be held via videoconference.

DATED at Toronto, Ontario this 14th day of November 2022

**ALBERT GELMAN INC., solely in its
capacity as Trustee in re the Proposal of
Kuk-III John Kim and not in its personal capacity**


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

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-2822601
Estate No.: 31-2822601

In the matter of the Proposal of
Myoung-Ja Mary Kim
of the City of Markham, in the Province of Ontario

Minutes of the First Meeting of Creditors

Trustee: Albert Gelman Inc. (“**AGI**” or the “**Trustee**”)
Debtor: Myoung-Ja Mary Kim (the “**Debtor**”)
Chairperson: Tom McElroy
Date of First Meeting of Creditors: November 8, 2022 at 1:30 p.m.
Location: Via videoconference

Attendees: Tom McElroy, Chairperson
Myoung-Ja Mary Kim, Debtor
Kuk-Il John Kim, Debtor’s spouse
Philip Cho, counsel to the Debtor
Jacquelyn Stevens, proxy for Willms & Shire Environmental Lawyers LLP
Raffaele Sparano, proxy for Bosung Investments Inc., Byoung Ok Han and Jae Yol Han
Brendan Wong, proxy for Lee-Mar Developments Limited

The meeting was called to order at 1:30 p.m.

The Chairman examined the unsecured proof of claim filed by Willms & Shire Environmental Lawyers LLP (“**Willms & Shire**”) as well as the proxy received from the Willms & Shire appointing Jacquelyn Stevens as their general proxy. The Chairperson established that there was a quorum.

A brief discussion took place amongst the attendees about the terms of the Proposal.


Mr. Brendan Wong advised that he was in favour of adjourning the creditor meeting, however, if he was not satisfied with the progress that was being made in terms of retaining a realtor and listing the real property, he would request that the Trustee call a creditor meeting earlier. The Trustee and counsel for the Debtor’s advised Mr. Wong that he could contact them informally to request and update prior to the next scheduled creditor meeting. Mr. Wong acknowledged that he was satisfied with this approach.

Adjournment

Jacquelyn Stevens, acting in her capacity as Willms & Shire’s general proxy, made a motion to adjourn the first meeting of creditors to February 8, 2023 at 1:30 p.m. to be held via videoconference.

DATED at Toronto, Ontario this 14th day of November 2022

**ALBERT GELMAN INC., solely in its
capacity as Trustee in re the Proposal of
Myoung-Ja Mary Kim and not in its personal capacity**


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

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-2822607
Estate No.: 31-2822607

In the matter of the Proposal of
Kuk-III John Kim
of the City of Markham, in the Province of Ontario

Minutes of the Reconvened First Meeting of Creditors

Trustee: Albert Gelman Inc. (“AGI” or the “Trustee”)
Debtor: Kuk-III John Kim (the “Debtor”)
Chairperson: Tom McElroy
Date of Reconvened First Meeting of Creditors: February 8, 2023 at 1:00 p.m.
Location: Via videoconference

Attendees: Tom McElroy, Chairperson
Bryan Gelman, representative of AGI
Philip Cho, counsel to the Debtor
Stuart Hyman, Debtor’s realtor
Allesia Peticone-Westwood, general proxy for Willms & Shier Environmental Lawyers LLP
Raffaele Sparano, proxy for Bosung Investments Inc., Byoung Ok Han and Jae Yol Han
Brendan Wong, proxy for Lee-Mar Developments Limited

The meeting was called to order at 1:00 p.m.

The Chairman examined the unsecured proof of claim filed by Willms & Shier Environmental Lawyers LLP (“**Willms & Shier**”) as well as the proxy received from the Willms & Shier appointing Allesia Peticone-Westwood as their general proxy. The Chairperson established that there was a quorum.

Stuart Hyman, the representative of the appointed realtor Re/Max Ultimate Realty Inc., provided a detailed summary to the attendees regarding the marketing process which he had undertaken to date, to sell the property located at 385 Spadina Road, Toronto (the “**Property**”) as well as the interest expressed from prospective buyers. A discussion took place amongst the attendees about the current marketing and sales process to sell the Property and that no offers had been received to date and that the sales process had become stale.

Mr. Hyman recommend that the Property be delisted and then relisted with a fixed price and bid deadline in order to reinvigorate the sales process. All attendees were in favour of this approach. The quantum of the new listing price discussed was in the range of \$499,000 and \$899,000 but the decision was left to the Debtor’s to decide with guidance from Mr. Hyman.

Mr. Hyman advised the attendees that all prospective purchasers would likely want to also discuss the potential remediation requirements and past/future legal issues with the owners of the neighboring properties to understand the various issues prior to making a firm offer. Both Brendan Wong and Raffaele Sparano confirmed that this was reasonable and appropriate in the circumstances and that they would both be willing to engage with prospective purchasers in this regard, on behalf of their clients.


Each of Brendan Wong, Raffaele Sparano and Allesia Peticone-Westwood advised that they were in favour of adjourning the creditor meeting to allow additional time for the Debtors to market the Property for sale.

Adjournment

Allesia Peticone-Westwood, acting in her capacity as Willms & Shier's general proxy, made a motion to adjourn the first meeting of creditors to May 8, 2023 at 1 p.m. to be held via videoconference.

DATED at Toronto, Ontario this 14th day of February 2023

**ALBERT GELMAN INC., solely in its
capacity as Trustee in re the Proposal of
Kuk-III John Kim and not in its personal capacity**



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

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-2822601
Estate No.: 31-2822601

In the matter of the Proposal of
Myoung-Ja Mary Kim
of the City of Markham, in the Province of Ontario

Minutes of the Reconvened First Meeting of Creditors

Trustee: Albert Gelman Inc. (“**AGI**” or the “**Trustee**”)
Debtor: Myoung-Ja Mary Kim (the “**Debtor**”)
Chairperson: Tom McElroy
Date of Reconvened First Meeting of Creditors: February 8, 2023 at 1:30 p.m.
Location: Via videoconference

Attendees: Tom McElroy, Chairperson
Bryan Gelman, representative of AGI
Philip Cho, counsel to the Debtor
Stuart Hyman, Debtor’s realtor
Allesia Peticone-Westwood, general proxy for Willms & Shier Environmental Lawyers LLP
Raffaele Sparano, proxy for Bosung Investments Inc., Byoung Ok Han and Jae Yol Han
Brendan Wong, proxy for Lee-Mar Developments Limited

The meeting was called to order at 1:30 p.m.

The Chairman examined the unsecured proof of claim filed by Willms & Shier Environmental Lawyers LLP (“**Willms & Shier**”) as well as the proxy received from the Willms & Shier appointing Allesia Peticone-Westwood as their general proxy. The Chairperson established that there was a quorum.

Stuart Hyman, the representative of the appointed realtor Re/Max Ultimate Realty Inc., provided a detailed summary to the attendees regarding the marketing process which he had undertaken to date, to sell the property located at 385 Spadina Road, Toronto (the “**Property**”) as well as the interest expressed from prospective buyers. A discussion took place amongst the attendees about the current marketing and sales process to sell the Property and that no offers had been received to date and that the sales process had become stale.

Mr. Hyman recommend that the Property be delisted and then relisted with a fixed price and bid deadline in order to reinvigorate the sales process. All attendees were in favour of this approach. The quantum of the new listing price discussed was in the range of \$499,000 and \$899,000 but the decision was left to the Debtor’s to decide with guidance from Mr. Hyman.

Mr. Hyman advised the attendees that all prospective purchasers would likely want to also discuss the potential remediation requirements and past/future legal issues with the owners of the neighboring properties to understand the various issues prior to making a firm offer. Both Brendan Wong and Raffaele Sparano confirmed that this was reasonable and appropriate in the circumstances and that they would both be willing to engage with prospective purchasers in this regard, on behalf of their clients.

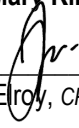
Each of Brendan Wong, Raffaele Sparano and Allesia Peticone-Westwood advised that they were in favour of adjourning the creditor meeting to allow additional time for the Debtors to market the Property for sale.

Adjournment

Allesia Peticone-Westwood, acting in her capacity as Willms & Shier's general proxy, made a motion to adjourn the first meeting of creditors to May 8, 2023 at 1:30 p.m. to be held via videoconference.

DATED at Toronto, Ontario this 14th day of February 2023

**ALBERT GELMAN INC., solely in its
capacity as Trustee in re the Proposal of
Myoung-Ja Mary Kim and not in its personal capacity**



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

ONTARIO
SUPERIOR COURT OF JUSTICE
 (IN BANKRUPTCY AND INSOLVENCY)
 (COMMERCIAL LIST)

**In the Matter of the Notice of Intention to Make a Proposal of
 Kuk-III John Kim
 of the City of Markham in the Province of Ontario**

PROPOSAL TRUSTEE'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 and employee of Albert Gelman Inc. ("**Proposal Trustee**"), Trustee of the Notice of Intention to Make a Proposal filed by Kuk-III John Kim, and as such have knowledge of the facts herein deposed to.
2. The Proposal Trustee has prepared one invoice in connection with its fees as follows:
 - a. An account dated April 10, 2023 for the period from September 26, 2022 to April 10, 2023 of \$12,131.00, plus HST thereon.
3. A summary of the Proposal Trustee's time by staff member is as follows:

Staff member	Position	Hours		Total
		worked	Hourly rate	
Bryan Gelman, CIRP, LIT	Principal	4.4	565.00	2,486.00
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Senior Manager	19.3	470.28	9,076.50
Ashely Robinson	Estate Administrator	2.3	247.17	568.50
		26.0	466.58	12,131.00

4. The Proposal Trustee's total fees are \$12,313.00, its total hours spent is 26.0 and, therefore, its average hourly rate is calculated to be \$466.58.
5. The Proposal Trustee'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 remotely by Tom McElroy at Toronto, Ontario
before me at Toronto, Ontario in accordance with
O. Reg. 431/20, Administering Oath or Declaration
Remotely, this 11th day of April, 2023

}
}
}
}

Tom McElroy



Ashley Robinson

SFVECRNEEGHP4F64

Ashley Robinson, a Commissioner, etc.,
Province of Ontario, for Albert Gelman Inc.
Expires February 14, 2025

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Kuk-III John Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3752-1>

Billing Through: Apr 10, 2023

File ID: KUK-ILLKIM - P:

Re: Proposal of Kuk-III John Kim

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2022-09-26	AROBINSON	Commissioned affidavit of fees;	0.10	\$235.00	\$23.50
2022-09-27	TMCELROY	Review of Debtors motion record including affidavit of Silver Kim and draft form of Order; Finalize and execute Fourth Report; Comments to Debtor's counsel re draft form of Order; Update Case Website;	1.50	\$450.00	\$675.00
2022-09-28	TMCELROY	Attend Court Hearing;	0.20	\$450.00	\$90.00
2022-09-29	AROBINSON	Efiled two Court orders;	0.20	\$235.00	\$47.00
2022-09-29	TMCELROY	Update Case Website;	0.10	\$450.00	\$45.00
2022-10-05	TMCELROY	Email to Debtor counsel;	0.10	\$450.00	\$45.00
2022-10-07	TMCELROY	Prepare draft form of Div I Proposal;	1.10	\$450.00	\$495.00
2022-10-11	TMCELROY	Call with P. Cho (Debtor's counsel) re next steps re proposal and other matters; Email to M. Berrie (baliff - city of Toronto);	0.30	\$450.00	\$135.00
2022-10-12	TMCELROY	Prepare statement of affairs; Prepare revised cash flow projection; Email to Debtor's counsel re same; Conference call with P. Cho, B, Wong and R. Soreano re status of proposal proceedings and next steps re same; Prepare additional proposal signing documents incl. rep letter, EIS, translation affidavit, etc.;	2.30	\$450.00	\$1,035.00
2022-10-13	TMCELROY	Review and respond to correspondence from Debtor counsel re various proposal documents;	0.10	\$450.00	\$45.00
2022-10-15	TMCELROY	Prepare revised SOA and forward same to Debtor's counsel;	0.20	\$450.00	\$90.00
2022-10-16	TMCELROY	Review and comments to Debtor's legal counsel re amendments to draft for of Div I Proposal;	0.30	\$450.00	\$135.00
2022-10-18	TMCELROY	Review and e-file signed Proposal documents; Email to Debtor's legal counsel;	0.70	\$450.00	\$315.00
2022-10-19	TMCELROY	Draft Trustee's Report on Proposal;	1.20	\$450.00	\$540.00
2022-10-26	TMCELROY	Finalize and sign report on Proposal; Prepare notice of Proposal; Assemble package to creditors;	0.90	\$450.00	\$405.00
2022-10-27	AROBINSON	Prepared and efiled Form 92 and mailed out Notice of Proposal to all creditors	1.00	\$235.00	\$235.00
2022-10-28	TMCELROY	Email to counsel for litigation creditors;	0.20	\$450.00	\$90.00
2022-11-03	TMCELROY	Call with R. Sporano re creditor meeting;	0.20	\$450.00	\$90.00
2022-11-07	AROBINSON	Reviewed and entered poc	0.10	\$235.00	\$23.50
2022-11-07	AROBINSON	Reviewed and entered proof of claim	0.10	\$235.00	\$23.50
2022-11-07	TMCELROY	Call with Debtor counsel re status of claims;	0.10	\$450.00	\$45.00
2022-11-08	AROBINSON	Reviewed and entered proof of claim	0.10	\$235.00	\$23.50
2022-11-08	TMCELROY	Prep for and attend creditor meeting; Draft creditor meeting minutes;	0.90	\$450.00	\$405.00

Albert Gelman Inc. - 60 Shaffesbury Avenue, Toronto, ON | M4T 1A3 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Kuk-III John Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3752-1>

Billing Through: Apr 10, 2023

File ID: KUK-ILLKIM - P:

Re: Proposal of Kuk-III John Kim

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2022-11-12	TMCELROY	Review and execute October 2022 bank reconciliation;	0.10	\$450.00	\$45.00
2022-11-14	AROBINSON	Filed minutes of Nov 8, 22 moc	0.10	\$235.00	\$23.50
2022-11-14	TMCELROY	Email to Debtor counsel re realtor listing proposals;	0.10	\$450.00	\$45.00
2022-11-16	AROBINSON	Prepared October 2022 bank rec	0.10	\$235.00	\$23.50
2022-12-12	AROBINSON	Prepared November 2022 bank rec	0.10	\$235.00	\$23.50
2023-01-10	TMCELROY	Call with Debtor counsel re status of sale of property and other matters; Meeting with B. Gelman re file review, call with Michael Switzer and discuss next steps	0.60	\$495.00	\$297.00
2023-01-10	BGELMAN	Meeting with Tom McElroy re file review, call with Michael Switzer and discuss next steps;	0.30	\$565.00	\$169.50
2023-01-12	AROBINSON	Prepared December 2022 bank rec	0.10	\$305.00	\$30.50
2023-01-18	BGELMAN	Attend conference call with Stuart Hyman, Phil Cho and his associate and Tom McElroy re sales process;	0.50	\$565.00	\$282.50
2023-01-18	TMCELROY	Video conference with S. Hyman (realtor), P. Cho and B. Gelman re listing and sale of Spadina Rd property;	0.50	\$495.00	\$247.50
2023-02-06	TMCELROY	Call with Debtor counsel re creditor meeting;	0.20	\$495.00	\$99.00
2023-02-08	TMCELROY	Attend creditor meeting;	0.50	\$495.00	\$247.50
2023-02-08	BGELMAN	Prepare for and attend creditors meeting;	0.80	\$565.00	\$452.00
2023-02-09	AROBINSON	Prepared January 2023 bank rec	0.10	\$305.00	\$30.50
2023-02-09	BGELMAN	Debrief call with Stuart Hyman;	0.10	\$565.00	\$56.50
2023-02-09	TMCELROY	Draft creditor meeting minutes;	0.50	\$495.00	\$247.50
2023-02-11	TMCELROY	Accrual to review and execute November 2022, December 2022 and January 2023 bank reconciliations;	0.20	\$495.00	\$99.00
2023-02-14	BGELMAN	Review and revisions to minutes of meeting of creditors;	0.30	\$565.00	\$169.50
2023-02-15	AROBINSON	Filed minutes of Feb 8, 23 moc	0.10	\$305.00	\$30.50
2023-02-21	TMCELROY	Review of agreement of purchase and sale and discuss same with B. Gelman same and next steps; Co-ordinate meeting to discuss offer with legal counsel and realtor;	0.50	\$495.00	\$247.50
2023-02-21	BGELMAN	Review of agreement of purchase and sale; attend meeting with Tom McElroy re same and next steps;	0.40	\$565.00	\$226.00
2023-02-23	BGELMAN	Attend Teams call with Stuart Hyman, Phil Cho, Talia Rotman and Tom McElroy;	0.30	\$565.00	\$169.50
2023-02-23	TMCELROY	Video conference with B. Gelman, P. Cho, S. Hyman and Talia Rotman re conditional APS;	0.40	\$495.00	\$198.00
2023-03-07	BGELMAN	Review of email pertaining to sale of property;	0.10	\$565.00	\$56.50

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Kuk-III John Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3752-1>

Billing Through: Apr 10, 2023

File ID: KUK-ILLKIM - P:

Re: Proposal of Kuk-III John Kim

Date	Staff	Description	Hours	Rate	Amount
2023-03-08	TMCELROY	Call with Debtor counsel re disclosure of purchase price to creditors and other matters;	0.10	\$495.00	\$49.50
2023-03-09	AROBINSON	Prepared February 2023 bank rec	0.10	\$305.00	\$30.50
2023-03-09	TMCELROY	Email to counsel re admin charge;	0.10	\$495.00	\$49.50
2023-03-16	BGELMAN	Call with Phil Cho re court date;	0.10	\$565.00	\$56.50
2023-03-16	TMCELROY	Draft Trustee's Fifth Report to Court;	1.40	\$495.00	\$693.00
2023-04-06	TMCELROY	Attend video conference with Debtor counsel, creditors counsel and S. Hyman (realtor) to discuss sale of property;	0.20	\$495.00	\$99.00
2023-04-10	TMCELROY	Review of draft affidavit of Silver Kim; Review of draft form of AVO; Continue drafting Trustee's Fifth Report; Email to Debtor's counsel; Prepare fee affidavit; Call with Debtor counsel;	3.50	\$495.00	\$1,732.50
2023-04-10	BGELMAN	Review of Fifth Report and comments to T. McElroy re same; Review of draft form of AVO and discuss same with T. McElroy;	1.50	\$565.00	\$847.50

Total Fees: \$12,131.00

HST: \$1,577.03

Summary by Staff:

Staff	Role	Hours	Rate	Amount
Ashley Robinson	(Estate Administrator)	2.30	\$247.17	\$568.50
Bryan A. Gelman	(Principal, CIRP LIT)	4.40	\$565.00	\$2,486.00
Tom McElroy	(CPA, CA, CBV, CIRP, LIT)	19.30	\$470.28	\$9,076.50

Disbursements:

Taxable Disbursements

POSTAGE:	\$0.92
PROMERIC FEE:	\$190.00

Total Disbursements: \$190.92

HST: \$24.82

Amount Due This Invoice: \$13,923.77

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$12,321.92
TOTAL HST:	\$1,601.85
TOTAL AMOUNT DUE:	\$13,923.77

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Kuk-III John Kim

Invoice

Invoice Date: Apr 10, 2023
Invoice No: <3752-1>
Billing Through: Apr 10, 2023
File ID: KUK-ILLKIM - P:

Re: Proposal of Kuk-III John Kim

Payment of this account is due on receipt
HST Registration # 83741 9514 RT001

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

**In the Matter of the Notice of Intention to Make a Proposal of
Myoung-Ja Mary Kim
of the City of Markham in the Province of Ontario**

PROPOSAL TRUSTEE'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 and employee of Albert Gelman Inc. ("**Proposal Trustee**"), Trustee of the Notice of Intention to Make a Proposal filed by Myoung-Ja Mary Kim, and as such have knowledge of the facts herein deposed to.
2. The Proposal Trustee has prepared one invoice in connection with its fees as follows:
 - a. An account dated April 10, 2023 for the period from September 26, 2022 to April 10, 2023 of \$12,571.00, plus HST thereon.
3. A summary of the Proposal Trustee's time by staff member is as follows:

Staff member	Position	Hours		Total
		worked	Hourly rate	
Bryan Gelman, CIRP, LIT	Principal	5.2	562.69	2,926.00
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Senior Manager	19.3	470.28	9,076.50
Ashely Robinson	Estate Administrator	2.3	247.17	568.50
		26.8	469.07	12,571.00

4. The Proposal Trustee's total fees are \$12,571.00, its total hours spent is 26.8 and, therefore, its average hourly rate is calculated to be \$469.07.
5. The Proposal Trustee'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 remotely by Tom McElroy at Toronto, Ontario
before me at Toronto, Ontario in accordance with
O. Reg. 431/20, Administering Oath or Declaration
Remotely, this 11th day of April, 2023

}
}
}
}



Tom McElroy



Ashley Robinson

S94UWF8H9X6ELE71

Ashley Robinson, a Commissioner, etc.,
Province of Ontario, for Albert Gelman Inc.
Expires February 14, 2025

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Myoung-Ja Mary Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3751-1>

Billing Through: Apr 10, 2023

File ID: MYOUNG-JAKIM - P:

Re: Proposal of Myoung-Ja mary Kim

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2022-09-26	AROBINSON	Commissioned affidavit of fees	0.10	\$235.00	\$23.50
2022-09-27	TMCELROY	Review of Debtors motion record including affidavit of Silver Kim and draft form of Order; Finalize and execute Fourth Report; Update Case Website;	1.50	\$450.00	\$675.00
2022-09-28	TMCELROY	Attend Court Hearing;	0.20	\$450.00	\$90.00
2022-09-29	AROBINSON	Efiled two Court Orders;	0.20	\$235.00	\$47.00
2022-09-29	TMCELROY	Update Case Website;	0.10	\$450.00	\$45.00
2022-10-05	TMCELROY	Email to Debtor counsel;	0.10	\$450.00	\$45.00
2022-10-07	TMCELROY	Prepare draft form of Div I Proposal;	1.10	\$450.00	\$495.00
2022-10-11	TMCELROY	Call with P. Cho (Debtor's counsel) re next steps re proposal and other matters; Email to M. Berrie (baliff - city of Toronto);	0.30	\$450.00	\$135.00
2022-10-12	TMCELROY	Prepare statement of affairs; Prepare revised cash flow projection; Email to Debtor's counsel re same; Conference call with P. Cho, B. Wong and R. Soreano re status of proposal proceedings and next steps re same; Prepare additional proposal signing documents incl. rep letter, EIS, translation affidavit, etc.;	2.30	\$450.00	\$1,035.00
2022-10-13	TMCELROY	Review and respond to correspondence from Debtor counsel re various proposal documents;	0.10	\$450.00	\$45.00
2022-10-15	TMCELROY	Prepare revised SOA and forward same to Debtor's counsel;	0.20	\$450.00	\$90.00
2022-10-16	TMCELROY	Review and comments to Debtor's legal counsel re amendments to draft for of Div I Proposal;	0.30	\$450.00	\$135.00
2022-10-18	TMCELROY	Review and e-file signed Proposal documents; Email to Debtor's legal counsel;	0.70	\$450.00	\$315.00
2022-10-19	TMCELROY	Draft Trustee's Report on Proposal;	1.20	\$450.00	\$540.00
2022-10-20	BGELMAN	Review and revisions to Report to Creditors;	0.80	\$550.00	\$440.00
2022-10-26	TMCELROY	Finalize and sign report on Proposal; Prepare notice of Proposal; Assemble package to creditors;	0.90	\$450.00	\$405.00
2022-10-27	AROBINSON	Prepared and efiled Form 92 and mailed Notice of Proposal to all creditors	1.00	\$235.00	\$235.00
2022-10-28	TMCELROY	Email to counsel for litigation creditors;	0.20	\$450.00	\$90.00
2022-11-03	TMCELROY	Call with R. Sporano re creditor meeting;	0.20	\$450.00	\$90.00
2022-11-07	AROBINSON	Reviewed and entered poc	0.10	\$235.00	\$23.50
2022-11-07	AROBINSON	Reviewed and entered poc	0.10	\$235.00	\$23.50
2022-11-07	TMCELROY	Call with Debtor counsel re status of claims;	0.10	\$450.00	\$45.00
2022-11-08	AROBINSON	Reviewed and entered proof of claim	0.10	\$235.00	\$23.50
2022-11-08	TMCELROY	Prep for and attend creditor meeting; Draft creditor meeting minutes;	0.90	\$450.00	\$405.00

Albert Gelman Inc. - 60 Shaffesbury Avenue, Toronto, ON | M4T 1A3 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Myoung-Ja Mary Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3751-1>

Billing Through: Apr 10, 2023

File ID: MYOUNG-JAKIM - P:

Re: Proposal of Myoung-Ja mary Kim

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2022-11-12	TMCELROY	Review and execute October 2022 bank reconciliation;	0.10	\$450.00	\$45.00
2022-11-14	AROBINSON	Filed minutes of Nov 8, 22 moc	0.10	\$235.00	\$23.50
2022-11-14	TMCELROY	Email to Debtor counsel re realtor listing proposals;	0.10	\$450.00	\$45.00
2022-11-16	AROBINSON	Prepared October 2022 bank rec	0.10	\$235.00	\$23.50
2022-12-12	AROBINSON	Prepared November 2022 bank rec	0.10	\$235.00	\$23.50
2023-01-10	TMCELROY	Call with Debtor counsel re status of sale of property and other matters; Meeting with B. Gelman re file review, call with Michael Switzer and discuss next steps	0.60	\$495.00	\$297.00
2023-01-10	BGELMAN	Meeting with Tom McElroy re file review, call with Michael Switzer and discuss next steps;	0.30	\$565.00	\$169.50
2023-01-12	AROBINSON	Prepared December 2022 bank rec	0.10	\$305.00	\$30.50
2023-01-18	BGELMAN	Attend conference call with Stuart Hyman, Phil Cho and his associate and Tom McElroy re sales process;	0.50	\$565.00	\$282.50
2023-01-18	TMCELROY	Video conference with S. Hyman (realtor), P. Cho and B. Gelman re listing and sale of Spadina Rd property;	0.50	\$495.00	\$247.50
2023-02-06	TMCELROY	Call with Debtor counsel re creditor meeting;	0.20	\$495.00	\$99.00
2023-02-08	TMCELROY	Attend creditor meeting;	0.50	\$495.00	\$247.50
2023-02-08	BGELMAN	Prepare for and attend creditors meeting;	0.80	\$565.00	\$452.00
2023-02-09	AROBINSON	Prepared January 2023 bank rec	0.10	\$305.00	\$30.50
2023-02-09	BGELMAN	Debrief call with Stuart Hyman;	0.10	\$565.00	\$56.50
2023-02-09	TMCELROY	Draft creditor meeting minutes;	0.50	\$495.00	\$247.50
2023-02-11	TMCELROY	Accrual to review and execute November 2022, December 2022 and January 2023 bank reconciliations;	0.20	\$495.00	\$99.00
2023-02-14	BGELMAN	Review and revisions to minutes of meeting of creditors;	0.30	\$565.00	\$169.50
2023-02-15	AROBINSON	Filed minutes of Feb 8, 23 moc	0.10	\$305.00	\$30.50
2023-02-21	TMCELROY	Review of agreement of purchase and sale and discuss same with B. Gelman same and next steps; Co-ordinate meeting to discuss offer with legal counsel and realtor;	0.50	\$495.00	\$247.50
2023-02-21	BGELMAN	Review of agreement of purchase and sale; attend meeting with Tom McElroy re same and next steps;	0.40	\$565.00	\$226.00
2023-02-23	BGELMAN	Attend teams call with Stuart Hyman, Phil Cho, Talia Rotman and Tom McElroy;	0.30	\$565.00	\$169.50
2023-02-23	TMCELROY	Video conference with B. Gelman, P. Cho, S. Hyman and Talia Rotman re conditional APS;	0.40	\$495.00	\$198.00
2023-03-07	BGELMAN	Review of email pertaining to sale of property;	0.10	\$565.00	\$56.50

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Myoung-Ja Mary Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3751-1>

Billing Through: Apr 10, 2023

File ID: MYOUNG-JAKIM - P:

Re: Proposal of Myoung-Ja mary Kim

Date	Staff	Description	Hours	Rate	Amount
2023-03-08	TMCELROY	Call with Debtor counsel re disclosure of purchase price to creditors and other matters;	0.10	\$495.00	\$49.50
2023-03-09	AROBINSON	Prepared February 2023 bank rec	0.10	\$305.00	\$30.50
2023-03-09	TMCELROY	Email to counsel re admin charge;	0.10	\$495.00	\$49.50
2023-03-16	BGELMAN	Call with Phil Cho re court date;	0.10	\$565.00	\$56.50
2023-03-16	TMCELROY	Draft Trustee's Fifth Report to Court;	1.40	\$495.00	\$693.00
2023-04-06	TMCELROY	Attend video conference with Debtor counsel, creditors counsel and S. Hyman (realtor) to discuss sale of property;	0.20	\$495.00	\$99.00
2023-04-10	TMCELROY	Review of draft affidavit of Silver Kim; Review of draft form of AVO; Continue drafting Trustee's Fifth Report; Email to Debtor's counsel; Prepare fee affidavit;	3.50	\$495.00	\$1,732.50
2023-04-10	BGELMAN	Review of Fifth Report and comments to T. McElroy re same; Review of draft form of AVO and discuss same with T. McElroy;	1.50	\$565.00	\$847.50

Total Fees: \$12,571.00

HST: \$1,634.23

Summary by Staff:

Ashley Robinson (Estate Administrator)
Bryan A. Gelman (Principal, CIRP LIT)
Tom McElroy (CPA, CA, CBV, CIRP, LIT)

Hours	Rate	Amount
2.30	\$247.17	\$568.50
5.20	\$562.69	\$2,926.00
19.30	\$470.28	\$9,076.50

Disbursements:

Taxable Disbursements

POSTAGE: \$0.92
PROMERIC FEE: \$190.00

Total Disbursements: \$190.92

HST: \$24.82

Amount Due This Invoice: \$14,420.97

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$12,761.92
TOTAL HST:	\$1,659.05
TOTAL AMOUNT DUE:	\$14,420.97

7071 Bayview Ave., Unit 405
Markham, ON L3T 7Y8

Attention: Myoung-Ja Mary Kim

Invoice

Invoice Date: Apr 10, 2023

Invoice No: <3751-1>

Billing Through: Apr 10, 2023

File ID: MYOUNG-JAKIM - P:

Re: Proposal of Myoung-Ja mary Kim

Payment of this account is due on receipt
HST Registration # 83741 9514 RT001

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
RSC 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE PROPOSAL OF KUK-ILL JOHN KIM

AND IN THE MATTER OF THE PROPOSAL OF MYOUNG-JA KIM

AFFIDAVIT OF WOJTEK JASKIEWICZ

I, **Wojtek Jaskiewicz**, of the Town of Oakville, in the Regional Municipality of Halton, **AFFIRM:**

1. I am a Partner at the law firm of WeirFoulds LLP (“**WeirFoulds**”), lawyers for the Debtors, Kuk-Ill John Kim and Myoung-Ja Mary Kim (“**Debtors**”). As such, I have knowledge of the matters to which I hereinafter depose. 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. Attached hereto and marked as **Exhibit “A”** to this affidavit is a summary of fees together with a true copy of the account rendered to the Trustee for work done, which contain detailed descriptions of the services provided by WeirFoulds pursuant to the Debtors’ instructions, during the period from June 1, 2022 to February 28, 2023. I note that WeirFoulds’ fees were approved by the Court up to June 20, 2022 by Justice Osborne on June 27, 2022. However, a few

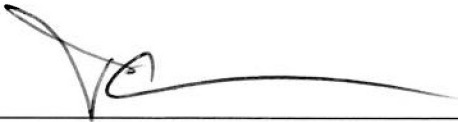
time entries for three of the timekeepers, Janet Bobechko, Talia Rotman, and Eva Lombardi, had not been included through inadvertence. As such, the accounts rendered include time entries from June 1, 2022 which were not included in the prior accounts, and had not been taxed by this Court. Attached hereto and marked as **Exhibit “B”** is a true copy of the accounts rendered between November 25, 2022 to February 28, 2023. The accounts indicate that the following individuals at our firm provided services:

<u>Name</u>	<u>Position</u>	<u>Hourly Rate</u>	<u>Total Hours</u>	<u>Year of Call</u>
Janet Bobechko	Partner	\$800	9.8	1991
Patrick Nugent	Partner	\$675	2.4	1999
Philip Cho	Partner	\$650	70.8	2002
Wojtek Jaskiewicz	Partner	\$600	3.6	2004
Talia Rotman	Associate	\$415	9.2	2019
Max Anthony Skrow	Associate	\$350	0.8	2020
Eva Lombardi	Law Clerk	\$350	1.3	N/A
Bernadine Shaw	Law Clerk	\$350	0.1	N/A
Ruth DeSousa	Law Clerk	\$325	0.2	N/A
Bradley Cook	Law Clerk	\$200	0.5	N/A
Jordan Crocker	Articling Student	\$315	22.2	N/A
Shadé Edwards	Articling Student	\$315	1.2	N/A
Dalal Hjjih	Articling Student	\$300	2.7	N/A
Yalda Mousavi	Summer Student	\$300	15.5	N/A

3. The work was, to the best of my knowledge, all performed, and the billing rates are the normal billing rates for the individuals who performed the work. Except to the extent that fees were discounted as expressly indicated on certain accounts, there were no additional or special

compensation arrangements entered into with the Debtors and as a result, all of the amounts billed were properly due and owing.

AFFIRMED by Wojtek Jaskiewicz of the Town)
of Oakville, in the Province of Ontario, before me)
at the City of Toronto, in the Province of Ontario,)
on this 10th day of April, 2023, via)
videoconference in accordance with O. Reg.)
431/20, Administering Oath or Declaration)
Remotely.)



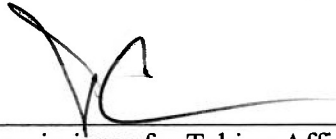
A Commissioner for Taking Affidavits, etc.)

PHILIP CHO (45615U))



WOYTEK JASKIEWICZ)

This is **Exhibit "A"** referred to in the
Affidavit of Wojtek Jaskiewicz sworn before
me by videoconference this 10th day of April, 2023.

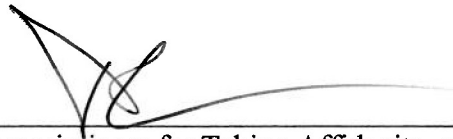


A Commissioner for Taking Affidavits, etc.

SUMMARY OF FEES AND DISBURSEMENTS

Account Period	Fees	Disbursements	HST	Account Total (including taxes)	Hours and Rates Lawyers/Law Clerks
23/06/2022 – 26/10/2022	\$45,605.00 (Discounted from \$50,415.00)	\$327.82	\$6,101.27	\$52,034.09	JB 9.00 hours @ \$800.00 PC 52.00 hours @ \$650.00 WJ 3.60 hours @ \$600.00 TR 1.50 hours @ \$400.00 MAS 0.80 hours @ \$350.00 BS 0.10 hours @ \$350.00 EL 1.30 hours @ \$350.00 RD 0.20 hours @ \$352.00 BC 0.50 hours @ \$200.00 DH 2.70 hours @ \$300.00 YM 15.5 hours @ \$300.00
03/11/2022 – 23/12/2022	\$10,935.00 (Discounted from \$11,785.00)	\$597.20	\$1,499.19	\$13,031.39	PN 2.40 hours @ \$675.00 PC 8.30 hours @ \$650.00 TR 4.80 hours @ \$400.00 JC 9.50 hours @ \$300.00
04/01/2023 – 28/02/2023	\$12,787.00	\$205.00	\$1,688.96	\$14,680.96	JB 0.80 hours @ \$800.00 PC 10.10 hours @ \$650.00 TR 2.90 hours @ \$415.00 JC 12.70 hours @ \$315.00 SE 1.20 hours @ \$315.00
<u>TOTAL</u>	<u>\$69,327.00</u>	<u>\$1,130.02</u>	<u>\$9,289.42</u>	<u>\$79,746.44</u>	
JB = Janet Bobechko PC = Philip Cho WJ = Wojtek Jaskiewicz TR = Talia Rotman MAS = Max Anthony Skrow BS = Bernadine Shaw EL =Eva Lombardi	RD = Ruth DeSousa BC = Bradley Cook JC = Jordan Crocker SE = Shadé Edwards DH = Dalal Hjjih YM = Yalda Mousavi				

This is **Exhibit "B"** referred to in the
Affidavit of Wojtek Jaskiewicz sworn before
me by videoconference this 10th day of April, 2023.



A Commissioner for Taking Affidavits, etc.

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November 25, 2022

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Kuk-III John Kim and Myoung-Ja Mary Kim
5240 Marine Drive
Silver Kim
Vancouver, BC V7W 2P8

Our Matter # 23140.00001 Insolvency Matter

For Professional Services through October 31, 2022

FEES	\$50,415.00
LESS DISCOUNT	-3,810.00
NET FEES	<u>\$46,605.00</u>
DISBURSEMENTS (Taxable)	<u>\$327.82</u>
DISBURSEMENTS (Non Taxable)	\$66.30
HST	\$6,101.27
TOTAL FOR THIS INVOICE	<u>\$53,100.39</u>
TOTAL DUE	<u>\$53,100.39</u>

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Below is a description of the services rendered through October 31, 2022 with respect to our File No. 23140.00001

Fee Detail

Date	Description	Name	Hours	Rate	Fees
01/06/22	Emails to and from P. Cho regarding environmental expert.	Janet Bobechko	0.20	800.00	160.00
02/06/22	Email to G. Parrott regarding conflicts and potential expert.	Janet Bobechko	0.20	800.00	160.00
03/06/22	Email from G. Parrott confirming no conflict.	Janet Bobechko	0.10	800.00	80.00
07/06/22	Emails to and from P. Cho	Janet Bobechko	0.10	800.00	80.00
09/06/22	Consider environmental reports to provide as background to environmental expert. Email to G. Parrott at Blue Frog Environmental regarding potential retainer.	Janet Bobechko	0.40	800.00	320.00
10/06/22	Participate in lengthy call with P. Cho and G. Parrott regarding environmental issues.	Janet Bobechko	0.80	800.00	640.00
14/06/22	Receipt and review of scope of work from G. Parrott. Various emails to and from P. Cho. Brief call with P. Cho. Email to G. Parrott regarding revisions to terms and conditions.	Janet Bobechko	1.00	800.00	800.00
15/06/22	Emails with P. Cho and G. Parrott.	Janet Bobechko	0.30	800.00	240.00
16/06/22	Emails from and to P. Cho.	Janet Bobechko	0.10	800.00	80.00
17/06/22	Call with P. Cho. Emails to and from P. Cho. Call with P. Cho and B. Wong regarding environmental issues.	Janet Bobechko	1.30	800.00	1,040.00
20/06/22	Update of PIN for 385 Spadina; confirm certification of Application to Delete; confirm revised thumbnail description to remove all S?T execution notations; draft revised E-Reg Discharge of Charge with new description; e-mail correspondence with T. Rotman;	Eva Lombardi	0.70	350.00	245.00

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20/06/22	Review of correspondence from Laurentian Bank; review of revised discharge; attending to signature of same;	Talia Rotman	0.60	400.00	240.00
21/06/22	Registration of Discharge of Charge and advise; obtain updated copy of PIN to confirm all registrations and new thumbnail description; e-mail correspondence with T. Rotman;	Eva Lombardi	0.60	350.00	210.00
21/06/22	Telephone call with T. McElroy regarding status of matter and upcoming motion	Philip Cho	0.30	650.00	195.00
21/06/22	Email correspondence with A. Isaacs regarding information on assets and property title issues; email correspondence with T. McElroy regarding draft motion materials	Philip Cho	0.20	650.00	130.00
21/06/22	Drafting S. Kim affidavit in support of motion	Philip Cho	1.20	650.00	780.00
21/06/22	Review of registered instruments; review of title; drafting summary of title clean-up efforts; e-mail correspondence;	Talia Rotman	0.60	400.00	240.00
22/06/22	Prepare motion materials for extension of proposal filing deadline; E-mail correspondence regarding same.	Bradley Cook	0.50	200.00	100.00
22/06/22	Review, finalize and commission affidavits of W. Jaskiewicz and S. Kim;	Max Anthony Skrow	0.70	350.00	245.00
22/06/22	Email correspondence with C. Buckmire regarding fee affidavit; review and revise fee affidavit; revise and finalize Notice of Motion, draft Order and Affidavit of Silver Kim; email correspondence with T. McElroy regarding same; email correspondence with S. Kim regarding swearing of affidavit; telephone call with J. Bobechko regarding draft affidavit; revise draft affidavit; review and revise Motion Record	Philip Cho	2.50	650.00	1,625.00

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22/06/22	Drafting letter to Laurentian Bank regarding Discharge;	Talia Rotman	0.30	400.00	120.00
23/06/22	Attend on Candace Buckmire to virtually commission Affidavit of Service;	Bernadine Shaw	0.10	350.00	35.00
23/06/22	Call from P. Cho regarding submissions and privilege.	Janet Bobeckko	0.30	800.00	240.00
24/06/22	Email correspondence with A. Isaacs regarding DIP financing and environmental issues	Philip Cho	0.30	650.00	195.00
27/06/22	Call and email from P. Cho. Review of secured creditor provisions EPA and regulation. Revisions to draft email regarding EPA secured creditor provisions.	Janet Bobeckko	0.60	800.00	480.00
27/06/22	Telephone call with T. McElroy regarding update on status of interim financing; email correspondence with A. Isaacs regarding same; telephone call with J. Bobeckko regarding disclosure of report and environmental liability question	Philip Cho	0.50	650.00	325.00
27/06/22	Preparation for motion; attend motion for extension and fee approval	Philip Cho	0.70	650.00	455.00
28/06/22	Review inventory environmental reports available in litigation files	Philip Cho	0.50	650.00	325.00
28/06/22	Email correspondence with A. Isaacs re interim financing and disclosure of environmental reports and information; telephone call with Y. Mousavi regarding draft non-disclosure agreements	Philip Cho	0.40	650.00	260.00
28/06/22	Phone call with P. Cho regarding background of the case; draft Non-Disclosure Agreement.	Yalda Mousavi	1.90	300.00	570.00
29/06/22	Receipt and review of emails from P. Cho to Terraprobe regarding release of	Janet Bobeckko	0.30	800.00	240.00

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reports.

29/06/22	Email correspondence with Terraprobe regarding consent to share reports; email correspondence with R. Sparano regarding update and disclosure of reports	Philip Cho	0.30	650.00	195.00
29/06/22	Review and revise draft non-disclosure agreement	Philip Cho	0.40	650.00	260.00
29/06/22	Meeting with A. Isaacs and Y. Mousavi regarding status of interim financing options; email correspondence with A. Isaacs regarding same	Philip Cho	0.60	650.00	390.00
29/06/22	Complete and correct draft non-disclosure agreement; attend zoom call with P. Cho and advisor; review RFPs and gather relevant information.	Yalda Mousavi	2.30	300.00	690.00
03/07/22	Review DIP facility letter of intent	Philip Cho	0.40	650.00	260.00
04/07/22	Receipt and review of various emails from P. Cho regarding environmental issues.	Janet Bobeckko	0.20	800.00	160.00
04/07/22	Email correspondence with B. Wong and R. Coburn regarding disclosure of environmental reports; telephone call with S. Kim regarding status and DIP loan term sheet; telephone call with R. Sparano regarding disclosure of reports; email correspondence with R. Sparano regarding same; meeting with Y. Mousavi regarding indexing of environmental documents	Philip Cho	1.50	650.00	975.00
04/07/22	Attend Teams call with P. Cho and another lawyer; create index of reports and documents.	Yalda Mousavi	2.90	300.00	870.00
05/07/22	Telephone call with A. Isaacs regarding term sheet concerns	Philip Cho	0.50	650.00	325.00
05/07/22	Create index of documents and reports.	Yalda Mousavi	3.50	300.00	1,050.00
07/07/22	Email correspondence with S. Qureshi	Philip Cho	0.40	650.00	260.00

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regarding draft NDA and suggested changes; telephone call with Y. Mousavi regarding index of documents and NDA

07/07/22	Correct index of documents and NDA.	Yalda Mousavi	0.50	300.00	150.00
08/07/22	Receipt and review of various emails regarding environmental issues.	Janet Bobechko	0.10	800.00	80.00
08/07/22	Review and consider e-mails and recent developments;	Max Anthony Skrow	0.10	350.00	35.00
08/07/22	Review and revise NDA language; email correspondence with B. Wong regarding same; email correspondence with Y. Mousavi regarding revisions to NDA; email correspondence with S. Qureshi regarding same	Philip Cho	0.60	650.00	390.00
08/07/22	Edit draft NDA with corrections.	Yalda Mousavi	0.80	300.00	240.00
11/07/22	Telephone call with A. McDonald regarding commercial insurance; email correspondence with A. McDonald regarding same	Philip Cho	0.30	650.00	195.00
13/07/22	Email correspondence with B. Wong and S. Qureshi regarding changes to NDA; email correspondence with A. Isaacs following up on term sheet changes	Philip Cho	0.20	650.00	130.00
15/07/22	Create final NDA document with suggested edits.	Yalda Mousavi	0.50	300.00	150.00
18/07/22	Email correspondence with T. McElroy regarding status of DIP Financing	Philip Cho	0.20	650.00	130.00
18/07/22	Complete final NDA with suggested edits.	Yalda Mousavi	0.40	300.00	120.00
19/07/22	Email correspondence with P. Neuwirth regarding information sought; email correspondence with S. Kim regarding DIP financing agreement; email correspondence with A. Isaacs regarding same	Philip Cho	0.30	650.00	195.00

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19/07/22	Email correspondence with S. Kim regarding signed term sheet; email correspondence with Y. Mousavi regarding review of documents for information needed for insurance	Philip Cho	0.30	650.00	195.00
19/07/22	Telephone call with R. Sparano regarding adjournment of motion for undertakings and refusals	Philip Cho	0.20	650.00	130.00
19/07/22	Meeting with Y. Mousavi regarding disclosure of environmental information; meeting with S. Kim and Y. Mousavi regarding DIP financing term sheet, insurance and other matters	Philip Cho	0.70	650.00	455.00
19/07/22	Attend meeting with P. Cho and client; consult helpdesk on pulling documents from Imanage.	Yalda Mousavi	2.20	300.00	660.00
20/07/22	Email correspondence with T. McElroy regarding term sheet from DIP lender; email correspondence with A. Isaacs regarding same and data room	Philip Cho	0.20	650.00	130.00
20/07/22	Drafting Affidavit of S. Kim regarding DIP approval and extension of time	Philip Cho	2.00	650.00	1,300.00
20/07/22	Email correspondence with A. Isaacs regarding signed term sheet; review court practice directions on matters before bankruptcy court	Philip Cho	0.20	650.00	130.00
21/07/22	Drafting DIP Lender's Charge Order	Philip Cho	0.80	650.00	520.00
21/07/22	Email correspondence with A. Isaacs regarding success fee	Philip Cho	0.20	650.00	130.00
21/07/22	Proofread and edit draft affidavit.	Yalda Mousavi	0.30	300.00	90.00
22/07/22	Email correspondence with A. McDonald regarding information for insurance broker; email correspondence with F. Tayar regarding DIP financing	Philip Cho	0.40	650.00	260.00

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22/07/22	Review environmental documents for disclosure; provide instructions to student	Philip Cho	0.40	650.00	260.00
22/07/22	Telephone call with T. McElroy regarding DIP financing terms	Philip Cho	0.20	650.00	130.00
22/07/22	Update and remove documents to be produced.	Yalda Mousavi	0.20	300.00	60.00
25/07/22	Email correspondence with F. Tayar regarding draft DIP approval order; email correspondence with T. McElroy regarding court dates and availability	Philip Cho	0.40	650.00	260.00
25/07/22	Telephone call with F. Tayar regarding term sheet, NDA and DIP Approval Order; telephone call with S. Kim regarding same; revise Term Sheet; email correspondence with F. Tayar regarding same	Philip Cho	0.80	650.00	520.00
25/07/22	Revise draft DIP approval order	Philip Cho	0.30	650.00	195.00
26/07/22	Receipt and review of numerous emails regarding environmental issues.	Janet Bobechko	0.20	800.00	160.00
26/07/22	Email correspondence with S. Quershi regarding disclosure of estimate cost report; email correspondence with F. Tayar regarding same	Philip Cho	0.30	650.00	195.00
27/07/22	Email correspondence with S. Quershi regarding disclosure of work plan and cost estimate; email correspondence with F. Tayar regarding same	Philip Cho	0.40	650.00	260.00
27/07/22	Revise Affidavit of S. Kim; email correspondence with counsel regarding motion return date; email correspondence with G. Parrot regarding disclosure of Phase 1 and 2 to lender; email correspondence with F. Tayar regarding amended term sheet	Philip Cho	0.70	650.00	455.00
27/07/22	Telephone call with Robin at BrokerLink regarding potential insurance for property	Philip Cho	0.30	650.00	195.00

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27/07/22	Email correspondence with T. McElroy regarding draft order and affidavit; email correspondence with F. Tayar providing certain public information	Philip Cho	0.20	650.00	130.00
27/07/22	Conducted PPSA searches regarding Myoung-Ja Kim, Myoung-Ja Mary Kim, Kuk-III Kim and Kuk-III John Kim;	Ruth DeSousa	0.20	325.00	65.00
28/07/22	Receipt and review of various emails from P. Cho and G. Parrott regarding environmental issues.	Janet Bobechko	0.20	800.00	160.00
28/07/22	Call with P. Cho and G. Parrott to discuss environmental issues.	Janet Bobechko	0.50	800.00	400.00
28/07/22	Review proposed revisions to draft order from T. McElroy; revise draft order; drafting Notice of Motion	Philip Cho	0.90	650.00	585.00
28/07/22	Meeting with G. Parrot and J. Bobechko regarding lender's requests on environmental reports and reliance	Philip Cho	0.50	650.00	325.00
28/07/22	Email correspondence with F. Tayar regarding DIP Term Sheet revisions; email correspondence with S. Kim regarding update and swearing of affidavit; telephone call with F. Tayar regarding same; revise amended DIP Term Sheet; correspondence with F. Tayar regarding summary of remediation estimates available	Philip Cho	1.30	650.00	845.00
29/07/22	Receipt, review and reply to numerous emails from P. Cho and G. Parrott regarding environmental issues.	Janet Bobechko	0.40	800.00	320.00
29/07/22	Email correspondence with F. Tayar regarding status of amendments to Term Sheet; email correspondence with A. Isaacs regarding same; telephone call with F. Tayar regarding the term sheet and environmental reports; email correspondence with G. Parrott regarding language for environmental report condition; email correspondence	Philip Cho	2.70	650.00	1,755.00

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with S. Kim regarding same; further revisions to term sheet

01/08/22	Review and comment on draft Third Report; finalize all motion materials; email correspondence with T. McElroy, S. Kim and W. Jaskiewicz regarding same	Philip Cho	1.40	650.00	910.00
02/08/22	Finalizing the affidavit of S. Kim; meeting with S. Kim to commission the affidavit for the motion to approve the DIP loan; reviewing the motion record.	Wojtek Jaskiewicz	1.00	600.00	600.00
04/08/22	Email correspondence with F. Tayar re the DIP order; reviewing and revising the DIP order; email correspondence with J. Stevens re the DIP motion.	Wojtek Jaskiewicz	0.50	600.00	300.00
05/08/22	Reviewing materials for the motion to approve the DIP loan; attending at the motion to approve the DIP loan.	Wojtek Jaskiewicz	1.70	600.00	1,020.00
08/08/22	Receipt and review of the order approving the DIP; email to client and F. Tayar re the DIP.	Wojtek Jaskiewicz	0.20	600.00	120.00
11/08/22	Reviewing the NDA; telephone call to F. Tayar to discuss the NDA.	Wojtek Jaskiewicz	0.20	600.00	120.00
17/08/22	Review and revise form of NDA; email correspondence with F. Tayar regarding same	Philip Cho	0.40	650.00	260.00
17/08/22	Communication with S. Kim regarding insurance status	Philip Cho	0.10	650.00	65.00
18/08/22	Email correspondence with F. Tayar regarding NDA agreement; email correspondence with B. Wong regarding same	Philip Cho	0.10	650.00	65.00
19/08/22	Email correspondence with F. Tayar regarding additional fee request for lender	Philip Cho	0.20	650.00	130.00
19/08/22	Telephone call with S. Kim regarding request for additional lender fees and	Philip Cho	0.20	650.00	130.00

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status of insurance

23/08/22	Email correspondence with S. Kim regarding lender's request for additional fees; email correspondence with F. Tayar regarding same	Philip Cho	0.30	650.00	195.00
24/08/22	Telephone call with A. Isaacs regarding status of DIP financing	Philip Cho	0.30	650.00	195.00
25/08/22	Telephone call with T. McElroy regarding status of DIP loan financing transaction; email correspondence with A. Isaacs regarding same; email correspondence with F. Tayar regarding additional deposit request and environmental document disclosure; review proposed environmental document disclosure; telephone call with A. Isaacs regarding status; email correspondence with S. Kim regarding same	Philip Cho	1.00	650.00	650.00
26/08/22	Email correspondence with F. Tayar regarding loan documentation; email correspondence with A. Isaacs regarding status	Philip Cho	0.20	650.00	130.00
29/08/22	Review file regarding timelines permitted under BIA; email correspondence with F. Tayar regarding same; email correspondence with A. Isaacs regarding same	Philip Cho	0.20	650.00	130.00
01/09/22	Status check with P. Cho	Janet Bobechko	0.10	800.00	80.00
06/09/22	Email correspondence with F. Tayar regarding questions from Hillmount on environmental information	Philip Cho	0.40	650.00	260.00
06/09/22	Email correspondence with A. Isaacs regarding status; email correspondence with F. Tayar regarding same	Philip Cho	0.20	650.00	130.00
07/09/22	Receipt and review of email from P. Cho regarding NDA. Provide comments to P. Cho	Janet Bobechko	0.30	800.00	240.00

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08/09/22	Review of material from P. Cho. Emails from and to P. Cho.	Janet Bobechko	0.40	800.00	320.00
08/09/22	Email correspondence with F. Tayar regarding questions from environmental consultant	Philip Cho	0.20	650.00	130.00
09/09/22	Emails to and from P. Cho. Provide comments on environmental issues.	Janet Bobechko	0.40	800.00	320.00
09/09/22	Telephone call with J. Bobechko regarding MOE issue	Philip Cho	0.50	650.00	325.00
12/09/22	Email from P. Cho. Provide comments to P. Cho.	Janet Bobechko	0.20	800.00	160.00
12/09/22	Telephone call with A. Isaacs regarding status of environmental diligence	Philip Cho	0.20	650.00	130.00
12/09/22	Email correspondence with F. Tayar regarding concern regarding Ministry of Environment	Philip Cho	0.30	650.00	195.00
13/09/22	Telephone call with T. McElroy regarding status of DIP financing	Philip Cho	0.20	650.00	130.00
15/09/22	Telephone call with T. McElroy regarding DIP financing transaction	Philip Cho	0.20	650.00	130.00
15/09/22	Email correspondence with F. Tayar regarding termination of financing offer	Philip Cho	0.30	650.00	195.00
16/09/22	Meeting with counsel for Lee-Mar and Bosung; telephone call with T. McElroy; telephone call with S. Kim	Philip Cho	1.30	650.00	845.00
17/09/22	Draft letter to AJ Ilchenko regarding urgency of hearing date	Philip Cho	0.20	650.00	130.00
19/09/22	Telephone call with Ilchenko AJ regarding urgent matter request; email correspondence with R. Sparano and B. Wong regarding same	Philip Cho	0.40	650.00	260.00
21/09/22	Email correspondence with Court Office regarding urgent hearing date request; email correspondence with counsel to plaintiffs regarding same and DIP	Philip Cho	0.30	650.00	195.00

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	charge; email correspondence with client reporting on same				
21/09/22	Telephone call with S. Kim regarding DIP loan and other options to explore	Philip Cho	0.30	650.00	195.00
22/09/22	Telephone call with R. Sparano regarding his client acting as DIP lender	Philip Cho	0.20	650.00	130.00
22/09/22	Telephone call with B. Wong regarding potential of his client to support DIP loan	Philip Cho	0.20	650.00	130.00
25/09/22	Prepare draft order; email correspondence with counsel to plaintiffs regarding draft order	Philip Cho	0.50	650.00	325.00
26/09/22	Call with P. Cho to commission documents and compiling the motion record for NOI proceeding; email S. Kim to commission document; meet with S. Kim to commission document; send email to counsel of compiled motion record; sign affidavit of service with P. Cho; send email to file affidavit and motion record.	Dalal Hjjih	2.70	300.00	810.00
26/09/22	Draft Affidavit of Silver Kim; meeting with M. Sabbah regarding motion record and affidavit; meeting with D. Hjjih regarding instructions to commission affidavit and service of record; drafting Notice of Motion; finalize Motion Record; email correspondence with T. McElroy regarding form of order; meeting with D. Hjjih regarding affidavit of service and filing with Bankruptcy Court	Philip Cho	3.00	650.00	1,950.00
27/09/22	Attend to service and filing of Trustee Report	Philip Cho	0.40	650.00	260.00
28/09/22	Prepare for hearing; attend hearing for extension and DIP amendment; revise draft order as per Judge's request	Philip Cho	0.70	650.00	455.00
29/09/22	Email correspondence with service list regarding order of Osborne J.	Philip Cho	0.20	650.00	130.00

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04/10/22	Meeting with S. Kim and S. Westergren regarding DIP loan	Philip Cho	0.40	650.00	260.00
05/10/22	Telephone call with A. Isaacs regarding substitution of DIP lender; email correspondence with A. Isaacs regarding same	Philip Cho	0.50	650.00	325.00
05/10/22	Email correspondence with S. Kim and S. Westergren regarding DIP loan matters	Philip Cho	0.20	650.00	130.00
06/10/22	Meeting with R. Macfarlane regarding acting as counsel to S. Westergren on DIP loan	Philip Cho	0.30	650.00	195.00
06/10/22	Correspondence with S. Kim following up on information and continuation of broker services; email correspondence with R. Macfarlane regarding acting for S. Westergren as DIP lender; email correspondence with A. Isaacs confirming continuation of engagement	Philip Cho	0.40	650.00	260.00
06/10/22	Email correspondence with A. Isaacs and S. Westergren regarding financing application	Philip Cho	0.20	650.00	130.00
07/10/22	Email correspondence with A. Isaacs regarding addendum to engagement letter; review addendum; email correspondence with R. Macfarlane and S. Westergren regarding DIP loan	Philip Cho	0.40	650.00	260.00
11/10/22	Review and revise draft Proposal	Philip Cho	1.00	650.00	650.00
11/10/22	Email correspondence with S. Kim and S. Westergren regarding executing addendum to engagement with Isaacs Advisory; telephone call with S. Kim regarding decision by S. Westergren not to lend as DIP lender; telephone call with T. McElroy regarding proposal and sale of property in absence of environmental work; email correspondence with counsel regarding conference call to discuss joint listing	Philip Cho	0.70	650.00	455.00

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12/10/22	Email correspondence with T. McElroy regarding forms for debtors to sign and tentative date for first meeting of creditors	Philip Cho	0.20	650.00	130.00
12/10/22	Meeting with B. Wong, R. Sparano and T. McElroy regarding inability to find DIP lender and sale of property	Philip Cho	0.50	650.00	325.00
12/10/22	Email correspondence with B. Wong and R. Sparano regarding sale of properties together	Philip Cho	0.30	650.00	195.00
13/10/22	Continue drafting Proposal	Philip Cho	0.50	650.00	325.00
13/10/22	Review draft cash flow statement, statement of affairs and cash flow model; email correspondence with T. McElroy regarding same	Philip Cho	0.30	650.00	195.00
14/10/22	Call with P. Cho and G. Parrott.	Janet Bobechko	0.30	800.00	240.00
14/10/22	Email correspondence with T. McElroy regarding documents to be executed by debtors; email correspondence with S. Kim regarding same	Philip Cho	0.30	650.00	195.00
14/10/22	Meeting with G. Parrot and J. Bobechko regarding status of matter and DIP loan issue; email to G. Parrot regarding same	Philip Cho	0.50	650.00	325.00
15/10/22	Revise draft Proposal	Philip Cho	1.00	650.00	650.00
16/10/22	Prepare Proposal re Mary Kim; email correspondence with S. Kim regarding documents to be signed by debtors	Philip Cho	0.60	650.00	390.00
17/10/22	Telephone call and email correspondence with C. Lee regarding Korean interpreter services	Philip Cho	0.20	650.00	130.00
18/10/22	Preparation for meeting with clients	Philip Cho	0.20	650.00	130.00
18/10/22	Email correspondence with G. Parrot regarding DIP lending and other options	Philip Cho	0.20	650.00	130.00

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18/10/22	Meeting with clients re signing of proposal and related documents	Philip Cho	1.30	650.00	845.00
20/10/22	Telephone call with S. Kim regarding upcoming creditors' meeting	Philip Cho	0.20	650.00	130.00
24/10/22	Receipt and review draft report to creditors; email correspondence with T. McElroy regarding same	Philip Cho	0.50	650.00	325.00
26/10/22	Telephone call with T. McElroy regarding draft report	Philip Cho	0.20	650.00	130.00

Total Fees for Professional Services	\$50,415.00
Less Discount	-3,810.00
Net Fees	<u>\$46,605.00</u>
HST	<u>\$6,058.65</u>
Total Fees including HST	<u><u>\$52,663.65</u></u>

Disbursements

Non-taxable Disbursements

Electronic Filing Fee	66.30
Total Non-taxable Disbursements	<u>66.30</u>

Taxable Disbursements

Prints Colour	14.00
Prints BW	38.20
Binding & Tabs	5.67
Electronic Filing Fee	44.20
Search Fees	102.60
Deliveries	18.15
Process Services	105.00
Total Taxable Disbursements	<u>327.82</u>

Total Taxable Disbursements	<u>327.82</u>
Total Disbursements	\$394.12

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Disbursements

HST	\$42.62
Total Disbursements and HST for this Invoice.....	<u>\$436.74</u>

Totals For This Matter

Total Fees Including HST.....	\$52,663.65
Total Disbursements Including HST.....	\$436.74
Total Fees and Disbursements Including HST.....	<u>\$53,100.39</u>
Amount Applied From Trust.....	\$0.00
Total Due For This Matter	<u>\$53,100.39</u>

Summary

Name	Hours	Rate	Fees
Bernadine Shaw	0.10	350.00	35.00
Bradley Cook	0.50	200.00	100.00
Dalal Hjijh	2.70	300.00	810.00
Eva Lombardi	1.30	350.00	455.00
Janet Bobechko	9.00	800.00	7,200.00
Max Anthony Skrow	0.80	350.00	280.00
Philip Cho	52.40	650.00	34,060.00
Ruth DeSousa	0.20	325.00	65.00
Talia Rotman	1.50	400.00	600.00
Wojtek Jaskiewicz	3.60	600.00	2,160.00
Yalda Mousavi	15.50	300.00	4,650.00
Total Summary	<u>87.60</u>		<u>\$50,415.00</u>

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THIS IS OUR ACCOUNT HEREIN.

WeirFoulds LLP
Per

Philip Cho

Account Payable upon receipt. In accordance with Section 33 of the Solicitors Act, interest will be charged at 3.0% per annum calculated from 30 days after delivery of this account. A receipted account will not be mailed unless requested by you

GST/HST REG.NO.
R119427177RT0001

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Kuk-III John Kim and Myoung-Ja Mary Kim
5240 Marine Drive
Silver Kim
Vancouver, BC V7W 2P8

Our Matter # 23140.00001 Insolvency Matter

For Professional Services through December 31, 2022

FEES	\$11,785.00
LESS DISCOUNT	-850.00
NET FEES	<hr/> \$10,935.00
DISBURSEMENTS (Taxable)	<hr/> <hr/> \$597.20
DISBURSEMENTS (Non Taxable)	None
HST	\$1,499.19
TOTAL FOR THIS INVOICE	<hr/> \$13,031.39
TOTAL DUE	<hr/> <hr/> \$13,031.39

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Below is a description of the services rendered through December 31, 2022 with respect to our File No. 23140.00001

Fee Detail

Date	Description	Name	Hours	Rate	Fees
03/11/22	Telephone call with M. Switzer regarding potential engagement for sale of property	Philip Cho	0.40	650.00	260.00
07/11/22	Email correspondence with M. Switzer regarding potential engagement as listing broker	Philip Cho	0.10	650.00	65.00
07/11/22	Telephone call with J. Stevens regarding adjournment of vote on proposal; telephone call with B. Wong regarding same; telephone call with R. Sparano regarding same; telephone call with S. Kim regarding same	Philip Cho	0.60	650.00	390.00
08/11/22	Telephone call with T. Hahn regarding commercial broker and background of property	Philip Cho	0.50	650.00	325.00
08/11/22	Telephone call with J. Seo regarding potential retainer for sale of property	Philip Cho	0.40	650.00	260.00
08/11/22	Attend first meeting of creditors	Philip Cho	0.60	650.00	390.00
08/11/22	Email correspondence with T. Hahn and C. Vyriotes regarding potential new engagement	Philip Cho	0.20	650.00	130.00
09/11/22	Meeting with C. Vyriotes and B. Hahn regarding potential engagement; email correspondence with C. Vyriotes regarding same	Philip Cho	0.50	650.00	325.00
10/11/22	Email correspondence with J. Seo and M. Switzer regarding fee structure; email correspondence with S. Kim regarding same	Philip Cho	0.20	650.00	130.00
14/11/22	Email correspondence with T. McElroy regarding listing agent selection and commission information	Philip Cho	0.30	650.00	195.00

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14/11/22	Email correspondence with M. Switzer and C. Vyriotes regarding selection of other broker; email correspondence with J. Seo regarding selection of her team as broker; email correspondence with T. McElroy regarding same; revised form of NDA; email correspondence with B. Wong and R. Sparano regarding revised NDA and consent to disclose environmental information	Philip Cho	0.50	650.00	325.00
15/11/22	Email correspondence with J. Seo regarding listing of property and background information	Philip Cho	0.20	650.00	130.00
17/11/22	Review listing agreement; email correspondence with E. Fernandes and S. Kim regarding listing agreement	Philip Cho	0.20	650.00	130.00
21/11/22	Conference call with J. Seo and S. Hyman regarding sale of property	Philip Cho	0.50	650.00	325.00
22/11/22	Telephone call with B. Wong regarding disclosure of environmental information to prospective purchasers	Philip Cho	0.20	650.00	130.00
22/11/22	Email correspondence with S. Hyman regarding bid submission date	Philip Cho	0.20	650.00	130.00
23/11/22	Email correspondence with B. Wong regarding documents to be included in data room for sale purposes	Philip Cho	0.40	650.00	260.00
25/11/22	Email correspondence with S. Hyman regarding status of confidentiality agreement and form of schedule to APS	Philip Cho	0.20	650.00	130.00
29/11/22	Email correspondence with B. Wong regarding client's consent to disclosure of environmental information; email correspondence with S. Hyman regarding confidentiality agreement and schedule A to APS; preparation of schedule A to APS	Philip Cho	0.40	650.00	260.00
30/11/22	Email correspondence with B. Wong	Philip Cho	0.40	650.00	260.00

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	regarding Lee-Mar documents; review and update virtual data room				
01/12/22	E-mail T. Rotman and P. Cho regarding meeting; meet with P. Cho and T. Rotman regarding selling land.	Jordan Crocker	0.70	300.00	210.00
01/12/22	Discussion with Talia R. re: Purchase Agreement provisions.	Patrick Nugent	0.40	675.00	270.00
01/12/22	Meeting with T. Rotman and J. Crocker regarding matter and sale process	Philip Cho	0.30	650.00	195.00
01/12/22	Meeting with P. Cho; drafting purchase agreement;	Talia Rotman	2.30	400.00	920.00
02/12/22	Access share folder and review correspondence between P. Cho, M. Sabbah, and clients.	Jordan Crocker	0.10	300.00	30.00
02/12/22	Email correspondence with brokers regarding listing of property and data room	Philip Cho	0.20	650.00	130.00
04/12/22	Review MLS and marketing information; email correspondence with broker regarding legal description of land; email correspondence with S. Kim regarding same	Philip Cho	0.30	650.00	195.00
05/12/22	E-mail P. Cho regarding identity of potential purchaser for property; analyse e-mails from broker regarding NDA signing.	Jordan Crocker	0.10	300.00	30.00
05/12/22	Review of purchase agreement; various discussions with T. Rotman and P. Cho re: revisions to APS.	Patrick Nugent	1.60	675.00	1,080.00
05/12/22	Meeting with P. Nugent and T. Rotman regarding schedule A to agreement of purchase and sale	Philip Cho	0.30	650.00	195.00
05/12/22	Revising purchase agreement; meeting with P. Cho and P. Nugent;	Talia Rotman	1.70	400.00	680.00
06/12/22	Review signed NDA's for proper execution; e-mail P. Cho regarding	Jordan Crocker	0.40	300.00	120.00

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research assignment and granting access to potential buyers; grant access to guests to the data room.

06/12/22	Review of APS and comments.	Patrick Nugent	0.40	675.00	270.00
06/12/22	Review and provide comments on form of Schedule to APS	Philip Cho	0.20	650.00	130.00
06/12/22	Engaged on revisions to purchase agreement; discussion with P. Cho; e-mail correspondence;	Talia Rotman	0.60	400.00	240.00
07/12/22	Draft vesting order for P. Cho using precedence and template form; redline changes from template for P. Cho's review; e-mail P. Cho with completed draft; attempt to re-add add guest into data room; e-mail broker with IT updates; e-mail IT with suggestions for adding e-mail to shared data room.	Jordan Crocker	1.30	300.00	390.00
08/12/22	Begin research for P. Cho regarding land and environmental liabilities as pertaining to insolvency matters; e-mail P. Cho regarding iManage account set up; e-mail IT regarding iManage account set-up for guest; call T. Rotman regarding some deficiencies in agreements; add additional parties to data room; call with B. Stein regarding access to data room; e-mail broker with status of adding parties to data room; e-mail library for research assistance and detail previous steps.	Jordan Crocker	3.70	300.00	1,110.00
08/12/22	Telephone call with J. Crocker;	Talia Rotman	0.20	400.00	80.00
09/12/22	Review e-mail from prospective purchaser regarding state of the building and P. Cho response; grant access to data room for potential buyers; file NDAs; e-mail library regarding research for file; analyse library findings; continue to research on vesting order limitations; compile research into e-mail for P. Cho; e-mail P. Cho with library findings and	Jordan Crocker	1.20	300.00	360.00

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additional clarifications.

12/12/22	Add potential purchasers to data room and check agreements for deficiencies; call with IT regarding issue with iManage sharing; set-up OneDrive back-up for P. Cho.	Jordan Crocker	0.80	300.00	240.00
13/12/22	Review non-disclosure agreement for deficiencies; e-mail T Rotman and P. Cho regarding potential deficiency; call with IT regarding share link.	Jordan Crocker	0.50	300.00	150.00
16/12/22	Check NDA for deficiencies; grant access to potential purchaser; file property document for P. Cho.	Jordan Crocker	0.20	300.00	60.00
20/12/22	Review NDAs and add potential purchasers to virtual data room.	Jordan Crocker	0.20	300.00	60.00
21/12/22	E-mail client with updated IT instructions on virtual data room access workaround; e-mail P. Cho regarding granting access in afternoon; reach out to M. Sabbah and explain adding purchasers to data room.	Jordan Crocker	0.20	300.00	60.00
23/12/22	Review NDA for deficiencies; grant data room access to potential purchaser.	Jordan Crocker	0.10	300.00	30.00

Total Fees for Professional Services	\$11,785.00
Less Discount	-850.00
Net Fees	<u>\$10,935.00</u>
HST	<u>\$1,421.55</u>
Total Fees including HST	<u><u>\$12,356.55</u></u>

Disbursements

Taxable Disbursements

Electronic Filing Fee 32.20

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Disbursements

	Agents Fee	565.00	
Total Taxable Disbursements		<u>597.20</u>	
Total Disbursements			\$597.20
HST			\$77.64
Total Disbursements and HST for this Invoice			<u>\$674.84</u>

Totals For This Matter

Total Fees Including HST			\$12,356.55
Total Disbursements Including HST			\$674.84
Total Fees and Disbursements Including HST			<u>\$13,031.39</u>
Amount Applied From Trust			\$0.00
Total Due For This Matter			<u><u>\$13,031.39</u></u>

Summary

Name	Hours	Rate	Fees
Jordan Crocker	9.50	300.00	2,850.00
Patrick Nugent	2.40	675.00	1,620.00
Philip Cho	8.30	650.00	5,395.00
Talia Rotman	4.80	400.00	1,920.00
Total Summary	<u>25.00</u>		<u>\$11,785.00</u>

INVOICE

WeirFoulds^{LLP}

4100 - 66 Wellington Street West, PO Box 35, Toronto-Dominion Centre, Toronto, ON, Canada. M5K 1B7

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Invoice 347486
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THIS IS OUR ACCOUNT HEREIN.

WeirFoulds LLP
Per

Philip Cho

Account Payable upon receipt. In accordance with Section 33 of the Solicitors Act, interest will be charged at 3.0% per annum calculated from 30 days after delivery of this account. A receipted account will not be mailed unless requested by you

GST/HST REG.NO.
R119427177RT0001

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February 28, 2023

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Kuk-III John Kim and Myoung-Ja Mary Kim
5240 Marine Drive
Silver Kim
Vancouver, BC V7W 2P8

Our Matter # 23140.00001 Insolvency Matter

For Professional Services through March 1, 2023

FEES \$12,787.00

DISBURSEMENTS (Taxable) \$205.00

DISBURSEMENTS (Non Taxable) None

HST \$1,688.96

TOTAL FOR THIS INVOICE \$14,680.96

TOTAL DUE \$14,680.96

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Below is a description of the services rendered through March 1, 2023 with respect to our File No. 23140.00001

Fee Detail

Date	Description	Name	Hours	Rate	Fees
04/01/23	Review NDA for deficiency and file for records; discuss research findings with P. Cho regarding contaminated land and vesting orders; review materials for monitor name and information from AbitibiBowater (2010) case for potential precedence to use in the vesting order; review Ernst & Young files and send vesting orders to P. Cho.	Jordan Crocker	0.70	315.00	220.50
04/01/23	Telephone call with J. Seo regarding status marketing and interest in property	Philip Cho	0.30	650.00	195.00
04/01/23	Review and analysis regarding environmental issues and vesting orders	Philip Cho	1.00	650.00	650.00
05/01/23	Re-add potential purchaser to data room; add potential purchaser to data room and review NDA for deficiencies.	Jordan Crocker	0.20	315.00	63.00
06/01/23	Review e-mail from potential purchaser; correspond with P. Cho regarding meeting attendance; attend meeting with potential purchaser; call with P. Cho regarding research assignment.	Jordan Crocker	0.60	315.00	189.00
06/01/23	Conference call with Angela Lebreton and J. Crocker regarding potential purchase and environmental issues	Philip Cho	0.50	650.00	325.00
06/01/23	Legal analysis regarding environmental liability for subsequent owners of land	Philip Cho	0.60	650.00	390.00
09/01/23	Review NDA for deficiencies; add potential buyer to data room; research Huang and Sorbam cases for previous precedent on selling contaminated land; begin to note-up Huang case for P. Cho; begin to compile research into memorandum for P. Cho regarding the responsibilities of purchasers when	Jordan Crocker	1.60	315.00	504.00

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buying contaminated land so as to inform the vesting order argument.

10/01/23	Complete case summary of Sorbam for memorandum; complete case summary of Huang case for P. Cho; revise and edit memorandum.	Jordan Crocker	1.00	315.00	315.00
10/01/23	Telephone call with T. McElroy regarding status of matter and proposed steps following sale	Philip Cho	0.50	650.00	325.00
11/01/23	Complete memorandum and note-up of Huang case; e-mail P. Cho with research findings and memorandum in preparation for meeting with J. Bobechko.	Jordan Crocker	1.00	315.00	315.00
11/01/23	Telephone call with P. Muchnik regarding status of property and anticipated steps for sale and proposal	Philip Cho	0.30	650.00	195.00
12/01/23	Meeting with P. Choi and J. Crocker regarding environmental liability.	Janet Bobechko	0.80	800.00	640.00
12/01/23	Meet with P. Cho and J. Bobechko regarding environmental liability for purchasers; review NDA for potential deficiencies; combine screenshots and file; add potential purchaser to the data room; e-mail potential purchaser with non-disclosure agreement.	Jordan Crocker	1.30	315.00	409.50
12/01/23	Meeting with J. Bobechko and J. Crocker regarding environmental liability and vesting order issues	Philip Cho	0.70	650.00	455.00
13/01/23	Add Proposal Trustee to data room.	Jordan Crocker	0.10	315.00	31.50
16/01/23	Telephone call with S. Hyman regarding environmental issues; email correspondence with B. Wong regarding disclosure of additional documents; email correspondence with S. Hyman and T. McElroy regarding disclosure and sale process status	Philip Cho	0.70	650.00	455.00
17/01/23	Email correspondence with S. Hyman	Philip Cho	0.20	650.00	130.00

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and T. McElroy regarding meeting to discuss sales and marketing status

18/01/23	Review NDA for deficiencies; add potential buyer to the data room; e-mail P. Cho and T. Rotman regarding updated dates on NDA; provide updated NDA to client for future buyers and ensure form was only updated to reflect year change; attend call with co-trustee and P. Cho regarding efforts so far to advertise the property.	Jordan Crocker	1.40	315.00	441.00
18/01/23	Meeting with S. Hyman, T. McElroy, B. Gelman and J. Crocker regarding status of sales and marketing efforts	Philip Cho	1.00	650.00	650.00
20/01/23	E-mail client regarding access to data room.	Jordan Crocker	0.10	315.00	31.50
26/01/23	Add potential purchaser to data room; review NDA for deficiencies.	Jordan Crocker	0.10	315.00	31.50
06/02/23	Telephone call with B. Wong regarding upcoming meeting and status; email correspondence with T. McElroy regarding meeting; email correspondence with S. Hyman regarding updated on sales efforts	Philip Cho	0.30	650.00	195.00
07/02/23	Correspond with P. Cho regarding deficiency in NDA; review NDA; e-mail client regarding NDA deficiencies.	Jordan Crocker	0.30	315.00	94.50
08/02/23	Review e-mail to client with status of matter.	Jordan Crocker	0.10	315.00	31.50
08/02/23	Continuation of First Creditor's meeting; report to S. Kim	Philip Cho	1.20	650.00	780.00
09/02/23	Review NDA for potential purchaser for deficiencies; add potential purchaser to data room.	Jordan Crocker	0.10	315.00	31.50
11/02/23	Review correspondence between client, broker, and P. Cho.	Jordan Crocker	0.10	315.00	31.50
15/02/23	Review NDA for deficiencies; e-mail	Jordan Crocker	0.20	315.00	63.00

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client; grant potential purchaser access to the data room.

16/02/23	E-mail from P. Cho.	Jordan Crocker	0.10	315.00	31.50
16/02/23	Email correspondence with broker regarding amended listing; email correspondence with client regarding same; email correspondence with B. Wong regarding discussion on sale process	Philip Cho	0.20	650.00	130.00
17/02/23	Discuss matter with P. Cho; review NDAs for deficiencies; grant potential purchasers access to data room; discuss file assistance with M. Sabbah.	Jordan Crocker	0.50	315.00	157.50
18/02/23	Review NDAs; add potential buyers to data room; e-mail with real estate agents; draft vesting order; e-mail P. Cho with updated vesting order.	Jordan Crocker	1.70	315.00	535.50
18/02/23	Telephone call with S. Hyman regarding request for Word version of Schedule B and minimum commission fee; email correspondence with S. Hyman regarding Schedule B	Philip Cho	0.50	650.00	325.00
19/02/23	Correspond with real estate agent; review NDAs for potential deficiencies; grant access to potential purchasers.	Jordan Crocker	0.50	315.00	157.50
21/02/23	Review NDAs; grant access to data room for potential purchasers.	Jordan Crocker	0.40	315.00	126.00
21/02/23	Telephone call with S. Hyman regarding offer to purchase; email correspondence with S. Hyman regarding same; email correspondence with S. Kim and T. McElroy regarding same	Philip Cho	0.50	650.00	325.00
22/02/23	Review NDA for deficiencies; grant access to data room for potential purchaser; e-mail broker.	Jordan Crocker	0.10	315.00	31.50
22/02/23	Received assignment instructions from T. Rotman; reviewed precedent and	Shadé Edwards	1.20	315.00	378.00

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signed agreement of purchase and sale; noted changes between the two documents to T. Rotman.

22/02/23	Instructions to S. Edwards regarding review of signed purchase agreement; e-mail correspondence; review of revisions to purchase agreement;	Talia Rotman	0.60	415.00	249.00
23/02/23	Review NDAs for deficiencies; e-mail broker assistant; add potential purchasers to data room.	Jordan Crocker	0.20	315.00	63.00
23/02/23	Meeting with B. Gelman, T. McElroy, S. Hyman and T. Rotman regarding offer to purchase received	Philip Cho	0.50	650.00	325.00
23/02/23	Review of offer; conference call with client group regarding offer; discussion with P. Cho;	Talia Rotman	1.20	415.00	498.00
24/02/23	Email correspondence with S. Hyman, T. Rotman and S. Kim regarding offer sign-back; telephone call with S. Kim regarding offer to purchase	Philip Cho	0.80	650.00	520.00
24/02/23	Review of signed offer; e-mail correspondence; telephone calls to client regarding deficiencies with signed offer; telephone call P. Cho; e-mail correspondence with broker;	Talia Rotman	0.60	415.00	249.00
27/02/23	Review correspondence between P. Cho and accounting to ensure retainer cheque was correctly deposited.	Jordan Crocker	0.10	315.00	31.50
27/02/23	Email correspondence with S. Hyman regarding deposit; email correspondence with T. Rotman regarding key dates for closing	Philip Cho	0.30	650.00	195.00
27/02/23	Review of signed purchase agreement; engaged on summarizing key dates; e-mail correspondence;	Talia Rotman	0.50	415.00	207.50
28/02/23	Review NDA; correspond with P. Cho and broker; grant environmental consultant access to data room.	Jordan Crocker	0.20	315.00	63.00

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Total Fees for Professional Services	\$12,787.00
HST	\$1,662.31
Total Fees including HST	<u>\$14,449.31</u>

Disbursements

Taxable Disbursements

Agents Fee	205.00	
Total Taxable Disbursements	<u>205.00</u>	
Total Disbursements		\$205.00
HST		\$26.65
Total Disbursements and HST for this Invoice		<u>\$231.65</u>

Totals For This Matter

Total Fees Including HST	\$14,449.31
Total Disbursements Including HST	\$231.65
Total Fees and Disbursements Including HST	<u>\$14,680.96</u>
Amount Applied From Trust	\$0.00
Total Due For This Matter	<u><u>\$14,680.96</u></u>

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Summary

Name	Hours	Rate	Fees
Janet Bobechko	0.80	800.00	640.00
Jordan Crocker	12.70	315.00	4,000.50
Philip Cho	10.10	650.00	6,565.00
Shadé Edwards	1.20	315.00	378.00
Talia Rotman	2.90	415.00	1,203.50
Total Summary	27.70		\$12,787.00

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Per

Philip Cho

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GST/HST REG.NO.
R119427177RT0001

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF WOJTEK JASKIEWICZ

WEIRFOULDS LLP
66 Wellington Street West, Suite 4100
Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO #45615U)
pcho@weirfoulds.com

Tel: 416-365-1110

Lawyers for the Debtors,
Kuk-Ill John Kim and Myoung-Ja Mary Kim

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)

Proceeding commenced at Toronto

**FIFTH REPORT OF ALBERT
GELMAN INC. IN ITS CAPACITY
AS PROPOSAL TRUSTEE**

WEIRFOULDS LLP
66 Wellington Street West, Suite 4100
Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO #45615U)
pcho@weirfoulds.com

Tel: 416-365-1110

**Agents for the Proposal Trustee,
Albert Gelman Inc.**