

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

B E T W E E N:

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

**MOTION RECORD OF THE RECEIVER
(Returnable October 25, 2023)**

October 16, 2023

**PALIARE ROLAND ROSENBERG
ROTHSTEIN LLP**
155 Wellington Street West, 35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300

Jeffrey Larry (LSO# 44608D)
Tel: 416.646.4330
jeff.larry@paliareroland.com

Lawyers for the Receiver

TAB 1

INDEX

Tab	Document	Page No.
1	Notice of Motion of the Receiver dated October 16, 2023	5
A	Appendix A – Order	12
2	Receiver’s Second Report to the Court dated October 13, 2023	17
A	Appendix A - Appointment Order and endorsement of Justice Kimmel made December 1, 2022	26
B	Appendix B – Approval and Vesting Order (Cherrycrest)	43
C	Appendix C – Approval and Vesting Order (Airport Road)	54
D	Appendix D – Ancillary Relief Order and Endorsement of Justice Steele	66
E	Appendix E – Receiver’s First Report (without appendices)	74
F	Appendix F – Receiver’s Certificate (Cherrycrest)	94
G	Appendix G – Receiver’s Certificate (Airport Road)	97
H	Appendix H – Lenders’ Payout Statement dated August 14, 2023	100
I	Appendix I – Lenders’ Payout Statement dated October 12, 2023	103
J	Appendix J - Estimated Unsecured CRA Debt	105
K	Appendix K - Receiver’s statements of receipts and disbursements for each of the Companies as at October 12, 2023	108
L	Appendix L – Fee Affidavit of Joe Albert sworn on October 13, 2023	111
M	Appendix M – Fee Affidavit of Beatrice Loschiavo sworn on October 12, 2023	137
N	Appendix N – Fee Affidavit of Cassidy Doherty sworn on October 12, 2023	153

TAB 1

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

NOTICE OF MOTION

THE RECEIVER, Albert Gelman Inc. (the “**Receiver**”), will make a motion before the court on October 25, 2023, at 10:00 am, or as soon after that time as the motion can be heard, at 330 University Ave., Toronto, Ontario.

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

THE MOTION IS FOR:

1. An Order substantially in the form attached as Appendix “A” to this Notice of Motion:

- (i) approving the Second Report to the Court of the Receiver dated October 13, 2023 (the “**Second Report**”) and the Receiver’s conduct and activities set out therein;
- (ii) approving the Receiver’s interim statement of receipts and disbursements for each of the Debtors (as defined below) as of October 12, 2023;
- (iii) authorizing the Receiver to assign each of the Debtors into bankruptcy and entitling, but not obligating, Albert Gelman Inc. to act as Trustee in Bankruptcy of the Debtors; and
- (iv) approving the fees of the Receiver and its counsel for the periods detailed in the Second Report.

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

2. 2046245 Ontario Inc., 2222228 Ontario Inc., 2473560 Ontario Inc. and 2473441 Ontario Inc. (collectively, the “**Lenders**”) commenced an application dated November 15, 2022 to appoint a receiver over 2244039 Ontario Inc. (“**224Co.**”) and 1526400 Ontario Inc. (“**152Co.**” and with 224Co., the “**Debtors**”).

3. The Lenders had provided financing to the Debtors through two credit facilities totalling approximately \$14,550,000, which facilities were secured by first and second mortgages on the properties at 35 Cherrycrest Road, Brampton, Ontario (the “**Cherrycrest Property**”) and 12016 Airport Road, Caledon, Ontario (the “**Airport Road Property**”) (collectively, the “**Properties**”).

4. On December 1, 2022, the Receiver was appointed as receiver, without security, of the property, assets and undertaking of 224Co. and 152Co. pursuant to an Order of this Court (the “**Appointment Order**”).

5. The Appointment Order was stayed until 9 a.m. on December 13, 2022 pursuant to certain conditions which included, among other things, repayment of certain of the loans to the Lenders as well as amending certain lending and security agreements. The conditions were not met and, as a result, the Appointment Order went into effect as of December 13, 2022 at 9 a.m.

6. 152Co. is the owner of the Airport Road Property which it leased to two different tenants.

7. 224Co. is the owner of the Cherrycrest Property, at which 224Co. operated a gas station, among other things.

B. Sale Approval and Closing of the Transactions

8. On April 15, 2023, the Receiver entered into listing agreements with Cushman & Wakefield ULC (“**C&W**”) for the Properties.

9. The Properties were listed for sale on May 1, 2023 with a bid deadline set for June 15, 2023.
10. The Receiver received multiple bids for each of the Properties and on June 21, 2023, the Receiver accepted an agreement of purchase and sale for each of the Properties.
11. On July 19, 2023, the court made Orders approving the sale of each of the Airport Road Property and the Cherrycrest Property as well as an Order approving the Receiver's activities and the proposed interim distribution to the Lenders.
12. The sale of the Airport Road Property closed on July 31, 2023 and the sale of the Cherrycrest Property closed on August 31, 2023.
13. Following the sales, the Receiver made distributions to Canada Revenue Agency ("**CRA**") in respect of unpaid source deductions and HST and to the Lenders.

C. Assigning the Debtors into Bankruptcy

14. The Receiver has determined that each of the Debtors is insolvent as a result of significant income tax liabilities owing to CRA, as well as the unsecured portions of the liabilities for HST and payroll deductions.
15. Accordingly, the Receiver requests that this Honourable Court grant an Order authorizing the Receiver to assign both Debtors into bankruptcy as it will ensure that the remaining funds from the receivership are properly paid to CRA and any other creditors that may be identified pursuant to the provisions of the *Bankruptcy and Insolvency Act*.

D. Statutory and other grounds

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

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

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

(a) the Second Report of the Receiver dated October 13, 2023 and the appendices attached thereto; and

(b) such further and other evidence as the lawyers may advise and this Honourable Court may permit.

October 16, 2023

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP
155 Wellington St. W., 35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300
Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)
Tel: 416.646.4330
jeff.larry@paliareroland.com

Lawyers for the Receiver

TO: THE SERVICE LIST

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West
35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300
Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)

Tel: 416.646.4330
jeff.larry@paliareroland.com

Lawyers for the Receiver

TAB A

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

THE HONOURABLE) WEDNESDAY THE 25TH DAY
)
JUSTICE) OF OCTOBER, 2023

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

ORDER

THIS MOTION, made by **ALBERT GELMAN INC.** in its capacity as the receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**" and with 224Co., the "**Companies**") for an order, among other things, approving the Receiver's activities and authorizing the Receiver to assign the Companies into bankruptcy and entitling, but not obligating, Albert Gelman Inc. to act as Trustee in Bankruptcy, was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver's Second Report to the Court dated October 13, 2023 (the "**Second Report**") and the Appendices attached thereto, and on hearing the submissions of counsel for the Receiver and such other counsel who were present:

1. **THIS COURT ORDERS** that the Second Report and the conduct and activities of the Receiver set out therein be and are hereby approved and that only the Receiver, in its personal capacity and only with respect to its own personal liability,

shall be entitled to rely upon or utilize in any way the approval of the Second Report.

2. **THIS COURT ORDERS** that the Receiver's interim statement of receipts and disbursements for both of the Companies as of October 12, 2023 be and is hereby approved.
3. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period June 28, 2023 to October 12, 2023, as detailed in the Second Report, be and are hereby approved.
4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's counsel, Paliare Roland Rothstein Rosenberg LLP, for the period July 1, 2023 to September 30, 2023, as detailed in the Second Report, be and are hereby approved.
5. **THIS COURT ORDERS** that the fees and disbursement of the Receiver's real estate counsel, Wildeboer Dellelce LLP and DLA Piper LLP, for the period July 1, 2023 to October 12, 2023, as detailed in the Second Report, be and are hereby approved.
6. **THIS COURT ORDERS** that the Receiver is authorized to assign each of the Companies into bankruptcy under the *Bankruptcy and Insolvency Act* and Albert Gelman Inc. is entitled, but not obligated, to act as Trustee in Bankruptcy.
7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West
35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300
Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)
Tel: 416.646.4330
jeff.larry@paliareroland.com

Lawyers for the Receiver

TAB 2

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

SECOND REPORT OF THE RECEIVER

(Dated October 13, 2023)

I. INTRODUCTION

1. This second report ("**Second Report**") is filed by Albert Gelman Inc. ("**AGI**"), in its capacity as receiver (in such capacity, the "**Receiver**") appointed, without security, over all of the assets, undertakings and properties (together, the "**Property**") of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**" and, together with 224Co., the "**Companies**") by Order of the Ontario Superior Court of Justice, Commercial List (the "**Court**"), dated December 1, 2023 (the "**Appointment Order**"), made pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3, as amended ("**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O 1990, c. 43, as amended. The application which resulted in the Appointment Order was commenced by 2046245 Ontario Inc. ("**204**"), 2222228 Ontario Inc. ("**222**"), 2473560 Ontario Inc. ("**560**") and 2473441 Ontario Inc. ("**441**") (collectively, the "**Lenders**"). A copy of the Appointment

Order along with the endorsement of Justice Kimmel made December 1, 2022 (the “**Endorsement**”) is attached hereto as **Appendix “A”**.

2. The Endorsement provided that the Appointment Order was stayed until 9 a.m. (Toronto time) on December 13, 2022 pursuant to certain conditions which included, among other things, partial and full payment of certain of the loan(s) of the Lenders as well as amending certain lending and security agreements. The conditions as set out in the Endorsement were not met and, as a result, the Appointment Order went into effect as of December 13, 2022 at 9 a.m. (Toronto time) (the “**Appointment Date**”).

3. On July 19, 2023, on a motion made by the Receiver (the “**July 19 Motion**”), the Honourable Justice Steele granted several orders approving, among other things, the following:

- a. the sale transaction (the “**224Co. Transaction**”) contemplated by an agreement of purchase and sale between the Receiver and 1000567934 Ontario Inc. dated June 15, 2023 (the “**224Co. Purchase Agreement**”) and vesting in 1000567934 Ontario Inc. all of 224Co.’s right, title and interest in and to the assets described in the 224Co. Purchase Agreement (the “**224Co. AVO**”). A copy of the 224Co. AVO is attached hereto as **Appendix “B”**;
- b. the sale transaction (the “**Airport Road Transaction**”) contemplated by an agreement of purchase and sale between the Receiver and 2484460 Ontario Inc. dated June 14, 2023 (the “**152Co. Purchase Agreement**”) and vesting in 2484460 Ontario Inc. all of 152Co.’s right, title and interest in and to the assets described in the 152Co. Purchase Agreement (the “**152Co. AVO**”). A copy of the 152Co. AVO is attached hereto as **Appendix “C”**; and,
- c. the first report of the Receiver dated July 7, 2023 (the “**First Report**”), which was filed in connection with the July 19 Motion, and the Receiver’s activities described therein (the “**July Activity Approval Order**”). A copy of the July Activity Approval Order and related endorsement are attached together as **Appendix “D”** and a copy of the First Report, without appendices, is attached hereto as **Appendix “E”**.

II. PURPOSE OF THIS REPORT

4. The Second Report is filed to:

- a. report on the Receiver’s activities in these receivership proceedings since the date of the First Report;
- b. request an Order, among other things:
 - i. approving this Second Report and the actions and activities of the Receiver described herein;
 - ii. approving the Receiver’s interim statement of receipts and disbursements for each of the Companies as of October 12, 2023 (the “**Interim SRDs**”)

- iii. authorizing the Receiver to assign both 224Co. and 152Co. into bankruptcy and naming Albert Gelman Inc. as Trustee;
- iv. approving the fees and disbursements of the Receiver and its legal counsel, Paliare Roland Rosenberg Rothstein LLP ("**Paliare Roland**"), Wildeboer Dellelce LLP ("**Wildeboer Dellelce**"), and DLA Piper (Canda) LLP ("**DLA Piper**") as outlined herein and detailed in the supporting fee affidavits appended hereto; and,
- v. such further and other relief as this Honourable Court may deem just.

III. SCOPE AND TERMS OF REFERENCE

5. In preparing this Second Report, the Receiver has obtained and relied upon certain unaudited financial information and records of the Companies and had discussions with the Companies external accountants, Anil K. Sharma, CPA and Manoj Goel, CPA, CGA. In addition, the Receiver has had ongoing discussions with representatives of the Lenders and their legal counsel and relied on certain loan information provided by them.

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

7. This Second Report has been prepared for the purposes described above. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose.

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

9. This Second Report, and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver's website at: <https://www.albertgelman.com/corporate-solutions/other-engagements/> (the "**Case Website**") and will remain available on the website for a period of six (6) months following the Receiver's discharge.

IV. BACKGROUND INFORMATION

10. 152Co. and 224Co. were incorporated in Ontario on May 29, 2002 and December 7, 2016, respectively. The directors of 152Co. are Harcharan Tiwana and Jagdish Tiwana. Jagdish Tiwana is the sole director of 224Co.

11. The business of 152Co. and 224Co. was managed by Sajan Sandeep Tiwana (a.k.a. Sunny Tiwana) and Jagdish Tiwana. Sunny Tiwana is the adult son of Jagdish Tiwana ("**Father**").

12. 152Co. owned the real property municipally known as 12016 Airport Road, Caledon, Ontario (the “**Airport Road Property**”).
13. 224Co. owned the real property municipally known as 35 Cherrycrest Drive, Brampton, Ontario (the “**Cherrycrest Property**”).
14. Both the Airport Road Property and the Cherrycrest Property were sold by the Receiver in accordance with the 152Co. AVO and 224Co. AVO. Both sale transactions have closed as further described below.
15. Further details about the Companies and the events leading up to the appointment of the Receiver can be found in: (a) the First Report; and, (b) the affidavit of Jaskunwar Gill (the “**Lenders’ Representative**”) sworn November 11, 2022, which was filed in support of the Lenders’ application.

V. ACTIONS AND ACTIVITIES OF THE RECEIVER

16. Since the date of the First Report, the Receiver undertook, among other things, the following actions and activities:
 - a. continued the engagement of 1753927 Ontario Inc. (the “**Cherrycrest Operator**”) to operate the gas station, convenience store and car wash until the closing of the 224Co. Transaction.
 - b. continued to collect the rent owing to 152Co. from TDL and Shell until the closing of the 152Co. Transaction;
 - c. agreed to extend the closing date for the 224Co. Transaction and on August 31, 2023, closed the 224Co. Transaction in accordance with the 224Co. AVO. A copy of the Receiver’s certificate confirming closing is attached as **Appendix “F”**;
 - d. on July 31, 2023 closed the 152Co. Transaction in accordance with the 152Co. AVO. A copy of the Receiver’s certificate confirming closing is attached as **Appendix “G”**;
 - e. provided an independent accountant engaged by the Receiver with financial and tax records, as well as other financial information required by the accountant to prepare an estimate of the tax liabilities arising from the 224Co. Transaction and 152Co. Transaction; and
 - f. assessed the apparent insolvency of both 224Co. and 152 Co. as discussed in further detail later in this report.

VI. DISTRIBUTIONS TO SECURED CREDITORS

17. In accordance with the July Activity Approval Order the Receiver distributed the following amounts to the Companies secured creditors:
 - a. \$40,172.61 in respect of realty taxes owing on the Airport Road Property;
 - b. \$142,262.45 in respect of realty taxes owing on the Cherrycrest Property;

- c. \$8,606.59 to Canada Revenue Agency in respect of unpaid source deductions deemed trust owing by 224Co.;
- d. \$114,897.67 to CRA in respect of HST deemed trust owing by 224Co.;
- e. \$2,684.85 to CRA in respect of unpaid source deductions deemed trust owing by 152Co.;
- f. \$164,555.98 to CRA in respect of HST deemed trust owing by 152Co.;
- g. \$15.1 million to the Lenders as an interim distribution in respect of the Lenders' secured indebtedness.

VII. REMAINING ASSETS AND LIABILITIES

Assets

18. The only remaining assets of both 224Co. and 152Co. are the cash proceeds remaining from the two sales transaction which the Receiver is currently holding in its estate trust account in the aggregate amount of \$3,412,516 as of October 12, 2023

Secured Liabilities

19. The Lenders provided the Receiver with payout statements as of August 14, 2023 indicating that the Lenders total secured debt was \$17,274,314 plus accruing interest in respect of both 224Co. and 152Co as of that date. Copies of the Lenders' payout statements for both of the Companies are attached hereto at **Appendix "H"**. As noted above, the Receiver has made interim distributions to the Lenders in the total amount of \$15.1 million. The Lenders' provided the Receiver with a revised payout statement as of October 12, 2023 indicating that, after consideration of the Receiver's interim distribution to the Lenders, the Lenders total secured debt for both of the Companies was \$2,351,430 plus accruing interest as of that date. A copy of the Lenders' revised payout statements as of October 12, 2023 is attached hereto at **Appendix "I"**.

20. In the First Report, the Receiver advised that it was taking steps to ascertain the status of certain registrations under the *Personal Property Security Act* (Ontario) ("**PPSA Security**") in respect to both 152Co. and 224Co and in favour of parties other than the Lenders.

21. The Receiver has now confirmed that these other PPSA registrations have all been discharged.

Unsecured Liabilities

22. The Receiver's accountant advised the Receiver that the sale of the Cherrycrest Property and the Airport Road Property triggered capital gains and recapture tax liabilities which will be due and payable with the 2023 T2 corporate income tax returns for both 224Co. and 152Co. The Receiver's accountant estimated the quantum of these unsecured tax liabilities to be approximately \$1.13 million in respect of 224Co. and \$1.32 million in respect of 152Co. (total of approximately \$2.45 million) (the "**Estimated Unsecured CRA Debt**"). The accountants working papers calculating the Estimated Unsecured CRA Debt are attached hereto as **Appendix "J"**.

23. The Receiver is not aware of any other material unsecured creditors of 224Co. or 152Co. other than CRA.

VIII. BANKRUPTCY ASSIGNMENT

24. As set out below, the Receiver has determined that both Companies are insolvent.

2244039 Ontario Inc.		
Assets		
Funds Held in Receiver's Trust Account - Oct 12/23	\$	<u>2,955,489</u> A
Liabilities		
Lenders indebtedness - Oct 12/23		<u>2,351,430</u> B
Unsecured / CRA Liabilities		
Income Taxes (2021)		16,005
HST - penalties & interest (Oct 2021 to Jan 2023)		22,675
Payroll Deductions - penalties & interest (2022)		10,476
Income Taxes on sale of assets (estimated)		<u>1,130,000</u>
Total Unsecured / CRA Liabilities		<u>1,179,156</u> C
Deficit of Liabilities over Assets	\$	<u>(575,097)</u> A - B - C
1526400 Ontario Inc		
Assets		
Funds Held in Receiver's Trust Account - Oct 12/23	\$	<u>457,027</u> A
Liabilities		
Lenders indebtedness (balance included in 224Co. above)		<u>-</u> B
Unsecured / CRA Liabilities		
Income Taxes (2015 - 2021)		91,191
HST - penalties & interest (2018 - 2022)		29,498
Payroll Deductions - penalties & interest (2022)		6,559
Income Taxes on sale of assets (estimated)		<u>1,320,000</u>
Total Unsecured/CRA Liabilities		<u>1,447,248</u> C
Deficit of Liabilities over Assets	\$	<u>(990,221)</u> A - B - C

25. The Receiver respectfully requests that this Honourable Court grant an Order authorizing the Receiver to assign both Companies into bankruptcy for the following reasons:

- a. both Companies are insolvent as a result of significant income tax liabilities, as well as the unsecured portions of the liabilities for HST and payroll deductions; and,
- b. the shareholders and directors of the Companies have demonstrated a history of non-compliance in payment of all CRA accounts for income taxes, HST and payroll deductions and accordingly, a bankruptcy of the Companies will ensure that the remaining funds from the

receivership are properly paid to CRA and any other creditors that may be identified pursuant to the provisions of the *Bankruptcy and Insolvency Act*.

26. The Appointment Order provides that nothing in the Appointment Order shall prevent the Receiver from acting as a trustee in bankruptcy of either of the Companies. The Receiver believes that there will be efficiencies to appoint AGI, a Licensed Insolvency Trustee, as bankruptcy trustee. Accordingly, the Receiver respectfully requests that this Honourable Court authorize AGI to act as Trustee of the bankrupt estates.

IX. INTERIM SRD

27. Attached hereto at **Appendix “K”** are the Receiver’s statements of receipts and disbursements for each of the Companies as at October 12, 2023 (the “**Interim SRDs**”).

X. RECEIVER’S AND ITS COUNSEL’S ACCOUNTS

28. The fees of the Receiver for the period from June 28 to October 12, 2023 are detailed in the affidavit of Joe Albert, a copy of which is attached as **Appendix “L”**.

29. The Receiver’s fees encompass 263.2 hours at an average hourly rate of approximately \$496 for a total of \$130,431.50 plus applicable taxes. The Receiver is therefore requesting that this Court approve total fees inclusive of applicable taxes in the amount of \$147,387.60.

30. The fees and disbursements of Paliare Roland for the period July 1 to September 30, 2023 are detailed in the affidavit of Beatrice Loschiavo affirmed October 12, 2023, a copy of which is attached as **Appendix “M”**.

31. Paliare Roland’s fees encompass 25.3 hours at an average hourly rate of approximately \$875 for total fees of \$22,137.50 and accounts totalling \$25,073.58 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve Paliare Roland’s total fees and disbursements inclusive of applicable taxes in the amount of \$25,073.58.

32. The fees and disbursements of Wildeboer Dellelce and DLA Piper for the period July 1 to October 12, 2023 are detailed in the affidavit of Cassidy Doherty affirmed October 12, 2023, a copy of which is attached as **Appendix “N”**.

33. Wildeboer Dellelce’s fees encompass 24.9 hours at an average hourly rate of approximately \$569.37 for a total of \$14,177.40 and accounts totalling \$16,220.30 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve Wildeboer Dellelce’s total fees and disbursements inclusive of applicable taxes in the amount of \$16,220.30.

34. DLA Piper’s fees encompass 32.4 hours at an average hourly rate of approximately \$544.75 for a total of \$17,650.00 and accounts totalling \$20,031.09 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve DLA Piper’s total fees and disbursements inclusive of applicable taxes in the amount of \$20,031.09.

35. The Receiver is of the view that the hourly rates charged by Paliare Roland, Wildeboer Dellelce and DLA Piper are consistent with the rates charged by law firms practising in the area of insolvency in the Toronto market and that the fees charged are reasonable and appropriate in the circumstances.

XI. RECEIVER'S REQUEST FOR APPROVAL

36. The Receiver respectfully requests an Order of this Honourable Court providing for the relief set out in paragraph 4 of this Second Report.

All of which is respectfully submitted this 13th day of October 2023

**ALBERT GELMAN INC., solely in its
capacity as Court-Appointed Receiver
of each of the Companies, and not in
any other capacity**



Per:

Joe Albert, CPA, CIRP, LIT

TAB A

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE) THURSDAY, THE 1ST
JUSTICE KIMMEL)
DAY OF DECEMBER, 2022

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicants for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Albert Gelman Inc. as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. and 1526400 Ontario Inc. (the

"Debtors") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at via videoconference.

ON READING the affidavit of Jaskunwar Gill sworn November 4, 2022, and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, Respondents and those parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the affidavit of service of Shahista Afroze sworn November 11, 2022 and on reading the consent of Albert Gelman Inc. to act as the Receiver, and upon being advised of the consent of the parties as set forth in the court's endorsement of today's date,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Albert Gelman Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

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

shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the

Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such

amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order,

be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

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

Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.

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

GENERAL

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

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

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

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

proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

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



Digitally signed by Jessica
Kimmel
Date: 2022.12.01 15:43:32
-05'00'



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-22-00690513-00CL DATE: 1 December 2022

NO. ON LIST: 6
12 PM

TITLE OF PROCEEDING: 2046245 ONTARIO ET AL -v- 2244039 ONTARIO ET AL

BEFORE JUSTICE: KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
BOTA McNAMARA	Applicants' Counsel	bmcnamara@kmblaw.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
PAUL MAND	Respondents' Counsel	pmand@mandlaw.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
BRYAN GELMAN	Proposed Receiver	jalbert@albertgelman.com

ENDORSEMENT OF JUSTICE KIMMEL:

1. The parties have come to an agreement on the terms of an order for the appointment of a receiver on the condition that it be stayed. Counsel advise that no other person served with this application has responded or taken any position and that there are no other known creditors or persons who would have cause to object to the order and the terms and conditions herein.
2. The below endorsement was drafted by the parties and has been jointly submitted by them for the court's approval. It is approved. Order to go in the form signed by me today, subject to the following terms and conditions:
 1. The application to appoint a receiver is granted in the terms of the draft order set out in the application record herein ("the Appointing Order").
 2. The Appointing Order is stayed until 9am on December 13th, 2022 to permit the Respondents to:
 - a. discharge and pay in full the debt due and owing under The Second 224 and 152 Loan and Security Documents, as defined in the Notice of Application herein; and
 - b. paydown the principal debt due and owing under The First 224 and 152 Loan and Security Documents, as defined in the Notice of Application herein, in the amount of \$1,000,000.00 together with all outstanding interest and fees due and owing under The First 224 and 152 Loan and Security Documents; and
 - c. enter into an agreement in a form reasonable satisfactory to the Applicants to amend The First 224 and 152 Loan and Security Documents that provides:
 - i. to secure a debt of \$9,750,000.00 with a maturity of January 30th, 2023 pursuant to and in accordance with the updated terms and conditions outlined and set out in the new Mortgage Loan Commitment agreed between the parties dated November 30th, 2022 ("New Commitment").
 - ii. the payment of the renewal fee of \$292,500.00.
 - iii. to the extent agreed to by the New Commitment discharge the First 152 Mortgage, the First 152 Assignment, both as defined in the Notice of Application herein, and any other security granted by 1526400 Ontario Inc. to the Applicants.
 3. Should the Respondents fulfil the requirements of clauses 2(a), 2(b) and 2(c) above, on or before December 12th, 2022 the Appointing Order is further stayed until 9am on January 31st, 2022.
 4. Should the Respondents fail to fulfil the requirements of clauses 2(a), 2(b) and 2(c) above, on or before December 12th, 2022 the Appointing Order shall be of full force and effect as of 9am December 13th, 2022 without need for further order of the court and this endorsement shall have no further effect.
 5. Should the Respondents fail to discharge and pay in full the debt due and owing under the amendment to The First 224 and 152 Loan and Security Documents as provide for by clause 2(c) above on or before January 30th, 2023 the Appointing Order shall be of full force and effect as

of 9am January 31st January, 2023 without need for further order of the court and this endorsement shall have no further effect.

6. Should the Respondents discharge and pay in full the debt due and owing under the amendment to The First 224 and 152 Loan and Security Documents as provide for by clause 2(c) above on or before January 30th, 2023 the Appointing Order is withdrawn and dismissed and the Notice of Application is withdrawn and dismissed with no costs payable to either of the parties.

A handwritten signature in black ink, appearing to read "Kimmel J.", written in a cursive style.

KIMMEL J.

TAB B

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

THE HONOURABLE)
JUSTICE STEELE) TUESDAY THE 19TH DAY
OF JULY, 2022

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

APPROVAL AND VESTING ORDER

(35 Cherrycrest Drive, Brampton, ON)

THIS MOTION, made by **ALBERT GELMAN INC.** in its capacity as the receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**") for an order, among other things, approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement between the Receiver and 1000567934 Ontario Inc. (the "**Purchaser**") dated June 15, 2023 (the "**Purchase Agreement**") and vesting in the Purchaser all of 224Co.'s right, title and interest in and to the assets described in the Purchase Agreement (the "**Purchased Assets**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated July 7, 2023 and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved.
2. **THIS COURT ORDERS AND DECLARES** that the execution of the Purchase Agreement by the Receiver is authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of 224Co.'s right, title and interest in and to the Purchased Assets described in the Purchase Agreement including those listed on Schedule "B" hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Kimmel dated December 1, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "D" hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the applicable Land Registry Office of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule “B” hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule “C” hereto.

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

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

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 224Co.;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of 224Co., nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other

applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

Schedule A – Form of Receiver’s Certificate

Court File No.: CV-22-00690513-00CL

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (the "**Court**") dated December 1, 2022, Albert Gelman Inc. was appointed as the receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**").

B. Pursuant to an Order of the Court dated July 19, 2023 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale between the Receiver and 1000567934 Ontario Inc. (the "**Purchaser**") dated June 15, 2023 (the "**Purchase Agreement**") and vesting in the Purchaser all of 224Co.’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets in accordance with the Purchase Agreement; (ii) that the conditions of Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the

Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement or the Vesting Order.

THE RECEIVER CERTIFIES the following:

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

Albert Gelman Inc., solely in its capacity as receiver and manager of 224Co. and not in its personal or corporate capacity

Per: _____
Name
Title

Schedule B – Purchased Assets

All of the 224Co.'s right, title and interest in and to the Property (as defined in the Purchase Agreement) including, without limitation, the following real property:

Municipal Address:

35 Cherrycrest Drive, Brampton, Ontario

Legal Description:

BLOCK 4, PLAN 43M1813; SUBJECT TO AN EASEMENT IN AS IN PR1659010;
SUBJECT TO AN EASEMENT AS IN PR1659012; CITY OF BRAMPTON

PIN 14021-1350 (LT)

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

The following Instruments are to be discharged upon registration of the Vesting Order:

Registration No.	Registration Date	Document Type	Party To
PR4009527	2022/03/09	Charge	2046245 Ontario Inc. 2222228 Ontario Inc. 2473441 Ontario Inc.
PR4009528	2022/03/09	No Assgn Rent Gen	2046245 Ontario Inc. 2222228 Ontario Inc. 2473441 Ontario Inc.
PR4009534	2022/03/09	Postponement	2046245 Ontario Inc. 2222228 Ontario Inc. 2473441 Ontario Inc.
PR4015838	2022/03/18	Notice	2046245 Ontario Inc. 2222228 Ontario Inc. 2473441 Ontario Inc.
PR4034965	2022/04/20	Charge	2046245 Ontario Inc. 2473560 Ontario Inc. 2222228 Ontario Inc.
PR4034991	2022/04/20	No Assgn Rent Gen	2244039 Ontario Inc.
PR4034992	2022/04/20	Postponement	2473560 Ontario Inc. 2046245 Ontario Inc. 2222228 Ontario Inc.
PR4171355	2023/02/15	APL Court Order	Albert Gelman Inc.

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

(unaffected by the Vesting Order)

Registration No.	Registration Date (Y/M/D)	Document Type	Party To
PR657137	2004/06/16	Notice of Agreement	The Regional Municipality of Peel
PR1659010	2009/06/25	Transfer Easement	The Regional Municipality of Peel
PR1659012	2009/06/25	Transfer Easement	Hydro One Brampton Networks Inc.
43M1813	2010/04/20	Plan of Subdivision	
PR1809279	20110/04/23	Notice of Subdivision Agreement	Woodspring Homes Ltd.
PR1827426	2010/04/23	Application to Annex Restrictive Covenants	Woodspring Homes Ltd.
PR1829343	2010/05/31	Transfer	2244039 Ontario Inc.
PR2485335	2014/01/09	Notice of Agreement	The Corporation of the City of Brampton
PR2941894	2016/07/04	Notice of Lease	The TDL Group Corp.
43R39599	2020/09/16	Reference Plan	
PR3765919	2021/01/18	Notice of Lease	Bell Mobility Inc.
PR3993922	2022/02/10	Notice of an Unregistered Estate, Right, Interest of Equity	Global Fuels Inc.

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West

35th Floor

Toronto, ON M5V 3H1

Tel: 416.646.4300

Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Lawyers for the Receiver

TAB C

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

THE HONOURABLE)
JUSTICE STEELE) TUESDAY THE 19TH DAY
OF JULY, 2022

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

APPROVAL AND VESTING ORDER

(12016 Airport Road, Caledon, ON)

THIS MOTION, made by **ALBERT GELMAN INC.** in its capacity as the receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**") for an order, among other things, approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement between the Receiver and 2484460 Ontario Inc. (the "**Purchaser**") dated June 14, 2023 (the "**Purchase Agreement**") and vesting in the Purchaser all of 152 Co.'s right, title and interest in and to the assets described in the Purchase Agreement (the "**Purchased Assets**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated July 7, 2023 and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list,

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved.

2. **THIS COURT ORDERS AND DECLARES** that the execution of the Purchase Agreement by the Receiver is authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of 152Co.'s right, title and interest in and to the Purchased Assets described in the Purchase Agreement including those listed on Schedule "B" hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Kimmel dated December 1, 2022; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "D" hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the applicable Land Registry Office of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule “B” hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule “C” hereto.

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

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

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 152Co.;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of 152Co., nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other

applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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

Schedule A – Form of Receiver’s Certificate

Court File No.: CV-22-00690513-00CL

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (the "**Court**") dated December 1, 2022, Albert Gelman Inc. was appointed as the receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**").

B. Pursuant to an Order of the Court dated July 19, 2023 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale between the Receiver and 2484460 Ontario Inc. (the "**Purchaser**") dated June 14, 2023 (the "**Purchase Agreement**") and vesting in the Purchaser all of 152Co.’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets in accordance with the Purchase Agreement; (ii) that the conditions of Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the

Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement or the Vesting Order.

THE RECEIVER CERTIFIES the following:

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

Albert Gelman Inc., solely in its capacity as receiver and manager of 152Co. and not in its personal or corporate capacity

Per:

Name
Title

Schedule B – Purchased Assets

All of the 152Co.'s right, title and interest in and to the Property (as defined in the Purchase Agreement) including, without limitation, the following real property:

Municipal Address:

12016 Airport Road, Caledon, Ontario

Legal Description:

PART LOT 18 CON 6 EHS CHING DES PTS 1, 6 PL 43R-31661; CALEDON; S/T EASEMNT OVER PT LT 18 CON 6 EHS DES PT 6 PL 43R-31661, AS IN PR 1409645; T/W EASEMENT OVER PT LT 18 CON 6 EHS DES PT 7 PL 43R-31661, AS IN PR 1409649; S/T EASEMENT

PIN 14347-0314 (LT)

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

The following Instruments are to be discharged upon registration of the Vesting Order:

Instrument No.	Registration Date	Instrument Type	Party To
PR4009538	2022/03/09	Charge	2046245 Ontario Inc. 2222228 Ontario Inc. 2473441 Ontario Inc.
PR4009539	2022/03/09	No Assgn Rent Gen	2046245 Ontario Inc. 2222228 Ontario Inc. 2473441 Ontario Inc.
PR4035001	2022/04/20	Charge	2046245 Ontario Inc. 2473560 Ontario Inc. 2222228 Ontario Inc.
PR4035005	2022/04/20	No Assgn Rent Gen	1526400 Ontario Inc.
PR4035006	2022/04/20	Postponement	2473560 Ontario Inc. 2046245 Ontario Inc. 2222228 Ontario Inc.
PR4171356	2023/02/15	APL Court Order	Albert Gelman Inc.

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

(unaffected by the Vesting Order)

Registration No.	Registration Date (Y/M./D)	Document Type	Party To
LT2057426	2000/03/27	Notice of Airport Zoning Regulations	Her Majesty The Queen in Right of The Department of Transport Canada
PR265430	2002/06/24	Transfer	1526400 Ontario Inc.
PR895287	2005/07/28	Notice of Lease	The TDL Group Corp.
PR1180882	2006/12/06	Notice of Lease	Shell Canada Products Limited
43R31661	2007/08/03	Reference Plan	
PR1370295	2007/11/13	Notice of Site Plan Control Agreement	The Regional Municipality of Peel
PR1370295	2017/11/13	Postponement	The Regional Municipality of Peel
PR1370298	2017/11/13	Postponement	The Regional Municipality of Peel
PR1393666	2007/12/21	Notice of Site Plan Control Amending Agreement	The Regional Municipality of Peel
PR1401718	2008/01/15	Notice of Agreement	The Corporation of the Town of Caledon
PR1409645	2008/01/31	Transfer Easement	Orchard Garden Markets Ltd.
PR1409646	2008/01/31	Postponement	Orchard Garden Markets Ltd.

PR1409648	2008/01/31	Postponement	Orchard Garden Markets Ltd.
PR1413426	2008/02/08	Application to Instrument	Shell Canada Limited
PR1531547	2008/09/12	Transfer Easement	The Corporation of the Town of Caledon

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West
35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300
Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)

Tel: 416.646.4330
jeff.larry@paliareroland.com

Lawyers for the Receiver

TAB D

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

THE HONOURABLE)
JUSTICE STEELE) TUESDAY THE 19TH DAY
OF JULY, 2022

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

ANCILLARY RELIEF ORDER

THIS MOTION, made by **ALBERT GELMAN INC.** in its capacity as the receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**") for an order, among other things, approving the sale transactions contemplated by asset purchase agreements between the Receiver and identified purchaser and various ancillary relief described in the First Report of the Receiver dated July 7, 2023 (the "**First Report**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report and the Appendices and Confidential Appendices attached thereto, and on hearing the submissions of counsel for the Receiver and such other counsel who were present:

1. **THIS COURT ORDERS** that the First Report and the conduct and activities of the Receiver set out therein be and are hereby approved.
2. **THIS COURT ORDERS** that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way the approval of the Receiver's report detailed in paragraph 1 above.
3. **THIS COURT ORDERS** that Confidential Appendices A, C and E to the First Report be and are hereby sealed until the closing of the sale of Cherrycrest Purchased Assets (as defined in the First Report) and that Confidential Appendices B, D and F to the First Report be and are hereby sealed until the closing of the sale of the Airport Road Purchased Assets (as defined in the First Report).
4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver for the period to June 27, 2023 as set out in the First Report, be and are hereby approved.
5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver's counsel, Paliare Roland Rothstein Rosenberg LLP and Wildeboer Dellelce LLP for the respective periods November 9, 2022 to June 30, 2023 and February 24, 2023 to June 30, 2023 all as set out in the First Report, be and are hereby approved.
6. **THIS COURT ORDERS** that the Receiver is authorized, but not obligated, to make the Interim Distributions (as described and defined in the First Report).
7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West

35th Floor

Toronto, ON M5V 3H1

Tel: 416.646.4300

Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Lawyers for the Receiver



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-22-00690513-00CL

DATE: July 19, 2023

REGISTRAR: Julietta Costa-Singh

NO. ON LIST: 4

TITLE OF PROCEEDING: 2046245 ONTARIO INC. et al v. 2244039 ONTARIO INC. et

al

BEFORE JUSTICE: STEELE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Bota McNamara	Counsel for the Applicants	bmcnamara@kmblaw.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jefferey Larry	Counsel for the Receiver	Jeff.larry@paliarerolnad.com
Kassidy Doherty	Solicitor for the Receiver	KDOHERTY@wildlaw.ca

ENDORSEMENT OF JUSTICE STEELE:

1. Motion by the Receiver heard via Zoom on July 19, 2023. The Receiver seeks the Court's approval of (i) two sale transactions involving real property of the Debtors, (ii) a temporary sealing order, (iii) the Receiver's report and activities, (iv) fees, and (v) an interim distribution to the secured creditor.
2. The relief sought is not opposed.
3. The requested relief is granted.

Sale Transactions

4. The Receiver has entered into asset purchase agreements for the sale of the Debtors' two real properties: the Cherrycrest Property and the Airport Road Property. The Receiver conducted a sales process, including a listing for each property on MLS for 46 days and a bid deadline. During the listing period there were approximately 130 NDAs signed for each property.
5. The Court of Appeal in *Royal Bank of Canada v. Soundair Corporation*, 1991 CanLII 2727 (Ont. C.A.) set out the criteria to be applied when considering the approval of a sale by a receiver:
 - a. Whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
 - b. Whether the interests of all parties have been considered;
 - c. The efficacy and integrity of the process by which offers are obtained; and
 - d. Whether there has been unfairness in the workout of the process.
6. The Receiver notes the following:
 - a) The Properties were listed on MLS for 46 days;
 - b) The offers made in each APA was for greater consideration than the other offers received;
 - c) The consideration for each property was greater than the appraised amount; and
 - d) Neither APA contains a condition that would delay closing.
7. The Receiver recommends that the Court authorize the transactions. Based on the record before me, the marketing process was fair and transparent, and the consideration received is greater than the appraised value and the other offers. There is no reason to interfere with the Receiver's recommendation.
8. The sale transactions of the two properties are approved.

Temporary Sealing Order

9. The Receiver seeks an order sealing the asset purchase agreements for the two properties, the appraisals for the properties, and the details regarding the offers received on the properties (Confidential Appendices A, C and E related to the Cherrycrest Transaction, and Confidential Appendices B, D, and F related to Airport Road Transaction). The Receiver's request is that the sealing order be time limited pending the closing of the respective transaction or further order of the Court.

The information is commercially sensitive and could prejudice the sale of the properties if the contemplated transactions do not close.

10. Subsection 137(2) of the *Courts of Justice Act* provides that the Court may order that any document filed in a civil proceeding be treated as confidential, sealed, and not form part of the public record. In addition to the jurisdiction under the *Courts of Justice Act*, the Court has the inherent jurisdiction to issue sealing orders: *Fairview Donut Inc. v. The TDL Group Corp.*, 2010 ONSC 789, at para. 34.
11. The requested partial sealing order is limited in scope (only the documents noted above) and in time (until each transaction is completed or further Court Order). The proposed partial sealing order balances the open court principle and legitimate commercial requirements for confidentiality in the circumstances. In my view, the benefits of the requested sealing order outweigh the negative effects. Importantly, the sealing order will preserve the integrity of the sale process. This greatly outweighs any negative effect that may result from temporarily restricting public access to a very limited amount of information. Further, granting the requested order is consistent with the Court's practice of granting limited partial sealing orders in conjunction with an approval and vesting order.
12. I am satisfied that the limited nature and scope of the proposed sealing order is appropriate and satisfies the *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC requirements, as modified in *Sherman Estate*.
13. The Receiver is directed to provide the sealed confidential exhibit to the Court clerk at the filing office in an envelope with a copy of this endorsement and the signed order (with the relevant provisions highlighted) so that the confidential exhibit can be physically sealed.

Interim Distribution

14. The ancillary relief requested also includes an interim distribution to the secured creditor up to the amount of the indebtedness. The total proceeds of sale for the two properties exceed the outstanding indebtedness to the secured creditor.
15. The Receiver received an opinion from its counsel that the Lenders have a valid and enforceable first and second charge against the Properties.

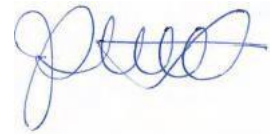
Approval of Report and Fees

16. The Receiver's activities were carried out in accordance with the authority it was granted. The Receiver appears to have acted reasonably and in the best interests of the stakeholders. This Court has the inherent jurisdiction to approve the Receiver's activities: *Bank of America Canada v. Willam Investments Ltd.*, (1993) 20 C.B.R. (3d) 223 (ONSC), at paras. 3 and 4.
17. The Receiver seeks approval of its fees and disbursements and those of its counsel detailed in the Receiver's First Report. I note that the Receiver retained Paliare Roland to act as its general counsel, and Wideboer Dellelce to act as transactional legal counsel.
18. The Court is focused on whether the fees and disbursements incurred in carrying out the receivership were fair and reasonable. The following are guidelines the Court may consider:

- a. The nature, extent and value of the assets;
- b. The complications and difficulties encountered;
- c. The degree of assistance provided by the debtor;
- d. The time spent;
- e. The receiver's knowledge, experience and skill;
- f. The diligence and thoroughness displayed;
- g. The responsibilities assumed;
- h. The results of the receiver's efforts; and
- i. The cost of comparable services when performed in a prudent and economical manner:
Bank of Nova Scotia v. Diemer, 2014 ONCA 851 (Ont. C.A.), at paras. 33 and 45.

19. Fee affidavits were filed. I am satisfied that the fees and disbursements are fair and reasonable in the circumstances.

20. Orders (the approval and vesting orders and ancillary order) to go in the forms signed by me today.

A handwritten signature in blue ink, appearing to be "J. Diemer", is located on the right side of the page.

TAB E

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

FIRST REPORT OF THE RECEIVER

(Dated July 7, 2023)

I. INTRODUCTION

1. This first report ("**First Report**") is filed by Albert Gelman Inc. ("**AGI**"), in its capacity as receiver (in such capacity, the "**Receiver**") appointed, without security, over all of the assets, undertakings and properties (together, the "**Property**") of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**" and, together with 224Co., the "**Companies**") by Order of the Ontario Superior Court of Justice, Commercial List (the "**Court**"), dated December 1, 2023 (the "**Appointment Order**"), made pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985, c. B-3, as amended ("**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O 1990, c. 43, as amended. The application which resulted in the Appointment Order was commenced by 2046245 Ontario Inc. ("**204**"), 2222228 Ontario Inc. ("**222**"), 2473560 Ontario Inc. ("**560**") and 2473441 Ontario Inc. ("**441**") (collectively, the "**Lenders**"). A copy of the Appointment Order along with the

endorsement of Justice Kimmel made December 1, 2022 (the “Endorsement”) is attached hereto as **Appendix “A”**.

2. The Endorsement provided that the Appointment Order was stayed until 9 a.m. (Toronto time) on December 13, 2022 pursuant to certain conditions which included, among other things, partial and full payment of certain of the loan(s) of the Lenders as well as amending certain lending and security agreements. The conditions as set out in the Endorsement were not met and, as a result, the Appointment Order went into effect as of December 13, 2022 at 9 a.m. (Toronto time) (the “**Appointment Date**”).

3. The Receiver carried out a sales process (the “**Sales Process**”) to sell both the Cherrycrest Property and Airport Road Property (both terms defined below) which resulted in the Receiver entering into asset purchase agreements for both of the properties. The Receiver is now seeking, among other things, Court approval of both the Cherrycrest Transaction and the Airport Road Transaction (both terms defined below) as contemplated by the above noted asset purchase agreements, as more particularly set out below.

II. PURPOSE OF THIS REPORT

4. The First Report is filed to:

- a. report on the Receiver’s activities in these receivership proceedings since the Appointment Date;
- b. request an Order, among other things:
 - i. approving this First Report and the actions and activities of the Receiver described herein;
 - ii. approving and authorizing the Receiver to enter into and carry out the terms of the sale transaction (the “**Cherrycrest Transaction**”) contemplated by an Asset Purchase Agreement dated June 15, 2023 together with any further amendments thereto deemed necessary by the Receiver in its sole discretion (the “**Cherrycrest Purchase Agreement**”), entered into between the Receiver, as seller, and 1000567934 Ontario Inc. (the “**Cherrycrest Purchaser**”), as purchaser, and vesting in the Cherrycrest Purchaser, 224Co.’s right, title and interest in and to the following:
 - the real property municipally known as 35 Cherrycrest Drive, Brampton, Ontario and legally described as BLOCK 4, PLAN 43M1813; SUBJECT TO AN EASEMENT IN AS IN PR1659010; SUBJECT TO AN EASEMENT AS IN PR1659012; CITY OF BRAMPTON (the “**Cherrycrest Property**”); and,
 - the contracts, inventory and books and records, all as defined in the Cherrycrest Purchase Agreement (the “**Cherrycrest Business Assets**”)

(collectively, the “**Cherrycrest Purchased Assets**”);

- iii. approving and authorizing the Receiver to enter into and carry out the terms of the sale transaction (the “**Airport Road Transaction**”) contemplated by an Asset Purchase Agreement dated June 14, 2023 together with any further amendments thereto deemed necessary by the Receiver in its sole discretion (the “**Airport Road Purchase Agreement**”), entered into between the Receiver, as seller, and 2484460 Ontario Inc. (the “**Airport Road Purchaser**”), as purchaser, and vesting in the Airport Road Purchaser, 152Co.’s right, title and interest in and to the following:
 - The real property municipally known as 12016 Airport Road, Caledon, Ontario and legally described as: PART LOT 18 CON 6 EHS CHING DES PTS 1, 6 PL 43R-31661; CALEDON; S/T EASEMNT OVER PT LT 18 CON 6 EHS DES PT 6 PL 43R-31661, AS IN PR 1409645;T/W EASEMENT OVER PT LT 18 CON 6 EHS DES PT 7 PL 43R-31661, AS IN PR 1409649; S/T EASEMENT (the “**Airport Road Property**”); and,
 - the contracts and books and records, all as defined in the Airport Road Purchase Agreement, (the “**Airport Business Assets**”);
(collectively, the “**Airport Road Purchased Assets**”);
- iv. sealing the unredacted versions of the Cherrycrest Purchase Agreement, Airport Road Purchase Agreement, the Appraisals (defined below) as well as the summary of offers received for both properties until closing of the respective transactions;
- v. approving the fees and disbursements of the Receiver and its legal counsel, Paliare Roland Rosenberg Rothstein LLP (“**Paliare Roland**”) and Wildeboer Dellelce LLP (“**Wildeboer Dellelce**”), as outlined herein and detailed in the supporting fee affidavits appended hereto;
- vi. approving the Interim Distributions (as defined below) to the Lenders and the Canada Revenue Agency (“**CRA**”) as outlined below; and
- vii. such further and other relief as this Honourable Court may deem just.

III. SCOPE AND TERMS OF REFERENCE

5. In preparing this First Report, the Receiver has obtained and relied upon certain unaudited financial information and records of the Companies, had discussions with Sajan Sandeep Tiwana (aka Sunny) as well as with the Companies external accountant, Anil Sharma. In addition, the Receiver has had ongoing discussions with representatives of the Lenders and their legal counsel and relied on certain loan information provided by them.

6. While the Receiver has reviewed the various documents provided, such review does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles (“**GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the

Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS or otherwise with respect to such information except as expressly stated herein.

7. This First Report has been prepared for the purposes described above. Accordingly, the reader is cautioned that this First Report may not be appropriate for any other purpose.

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

9. This First Report, and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver's website at: <https://www.albertgelman.com/corporate-solutions/other-engagements/> (the "**Case Website**") and will remain available on the website for a period of six (6) months following the Receiver's discharge.

IV. BACKGROUND INFORMATION

10. 152Co. and 224Co. were incorporated in Ontario on May 29, 2002 and December 7, 2016, respectively.

11. The directors of 152Co. are Harcharan Tiwana and Jagdish Tiwana. Jagdish Tiwana is the sole director of 224Co.

12. The business of 152Co. and 224Co. was managed by Sajan Sandeep Tiwana (a.k.a. Sunny Tiwana) and Jagdish Tiwana. Sunny Tiwana is the adult son of Jagdish Tiwana ("**Father**").

Business of 1526400 Ontario Inc

13. 152Co. is the owner of the Airport Road Property. The Airport Road Property is fully leased to both Shell Canada Products ("**Shell**") who own and operate a Shell gas bar and Select retail store and The TDL Group Corp. ("**TDL**") who own and operate a Tim Horton's retail restaurant.

14. The lease with Shell commenced on March 1, 2008 for a term of twenty years, with two five-year renewal options.

15. The lease with TDL commenced on February 11, 2008 for a term of twenty years, with two five-year renewal options.

16. The lease with TDL contains a right of first refusal ("**ROFR**") granted by 152Co. to TDL. The lease with Shell also contains a ROFR granted to Shell, which is subject to the prior ROFR granted to TDL.

17. The Receiver negotiated with Shell to waive its ROFR during the Receiver's sale process, on the condition that Shell's lease is assumed by any purchaser. The Receiver also negotiated with TDL to waive its ROFR during the Receiver's sale process, on the condition that TDL could participate in the sales process and any purchaser must assume the TDL lease.

18. Set out below is a summary 152Co.'s unaudited income statement for the year ended December 31 2021.

1526400 Ontario Inc.
Summary of unaudited income statement
For the fiscal year ended December 31, 2021

Revenue (real property lease income)	\$ 272,000
Expenses	
Bank Charges	1,319
Cleaning and janitorial	3,983
Consultancy	1,200
Insurance	9,280
Landscaping and Plantation Expenses	19,990
Miscellaneous Expenses	260
Repair and Maintenance	17,759
Staff Costs	50,425
Telephone	3,587
Vehicle Repairs	2,836
Total Expenses	<u>110,639</u>
Earnings before interest, taxes and amortization	161,361
Less: Provision for income tax	4,441
Less: Mortgage and bank interest	101,718
Less: Amortization of tangible assets	23,056
Net Income	<u>\$ 32,146</u>

19. The Receiver has the following comments with respect to the above financial information:
- a. property lease revenue for 2023 is currently \$296,200;
 - b. realty taxes are paid as additional rent by the tenants and excluded from both revenue and expenses; and,
 - c. the majority of the staffing costs of \$50,425 were paid to Sunny Tiwana.

Business of 2244039 Ontario Inc.

20. 224Co. is the owner of the Cherrycrest Property.
21. 224Co. owns and operates an Esso gas bar, car wash and “On the Run” convenience store from the Cherrycrest Property.
22. 224Co. also leases portions of the Cherrycrest Property to TDL, 1280438 Ontario Ltd (“**128Co.**”) and Bell Mobility Inc. (“**Bell**”).
23. TDL owns and operates a takeout Tim Horton’s coffee bar within the “On the Run” convenience store. The lease with TDL commenced on October 25, 2013, for a term of ten years, with two five-year renewal options.

24. 128Co. operates a KFC/Taco Bell restaurant franchise from a stand alone building on the Cherrycrest Property. The lease with 128Co. was executed effective May 22, 2012 and amended effective May 7, 2016 to provide for occupancy on August 1, 2016 with a six month rent free fixturing period. The lease is for a period of ten years, with two five-year renewal options.

25. The lease with Bell allows Bell to operate a wireless communications tower. The lease was executed on January 1, 2012, for a term of five years, with three five-year renewal options.

26. Set out below is a summary 224Co's. unaudited income statement for the year ended December 31, 2021.

2244039 Ontario Inc.	
Summary of unaudited income statement	
For the fiscal year ended December 31, 2021	
Revenue	\$ 10,824,166
Gross Profit	1,299,831
Rental revenue	170,831
	<u>1,470,662</u>
Expenses	
Advertising and promotion	8,777
Automobile	10,650
Bank and credit card charges	150,883
General and administrative	27,034
Insurance	11,841
Meals and entertainment	11,977
Office	10,663
Professional fees	38,720
Property taxes	75,090
Royalty fees	16,667
Repairs and maintenance	39,507
Salaries and wages	178,042
Telephone	3,005
Utilities	30,979
Canada emergency wage subsidies	(9,138)
Total operational expenses	<u>604,697</u>
Earnings before interest, taxes and amortization	865,965
Less: Provision For Income Tax	14,728
Less: Interest Expense	543,396
Less: Amortization of Tangible Assets	213,840
Net Income	<u>\$ 94,001</u>

27. The Receiver has the following comments with respect to the above financial information:

- a. revenue and gross profit relate to the gas station operations, convenience store and car wash owned and operated by 224Co.;

- b. rental revenue relates to lease income with TDL, 128Co. and Bell; and
- c. the salaries and wages were substantially paid to arm's length employees.

28. Further details about the Companies and the events leading up to the appointment of the Receiver can be found in the affidavit of Jaskunwar Gill (the "**Lenders' Representative**") sworn November 11, 2022, which was filed in support of the Lenders' application.

V. ACTIONS AND ACTIVITIES OF THE RECEIVER

29. Since the Appointment Date the Receiver undertook, among other things, the following actions and activities:

Cherrycrest Property

- a. met with Sunny Tiwana and his Father at the Cherrycrest Property on December 14, 2023, during which meeting the Receiver carried out the following:
 - i. inquired into the operations of the gas station, retail store and car wash and discussed security, key employees, cash controls, banking authorities, utilities and status of the Ontario Lottery and Gaming Corporation ("**OLG**") License;
 - ii. noted the fuel inventory levels;
 - iii. inspected and photographed the retail inventories;
- b. requested that Sunny Tiwana provide the Receiver with copies of relevant agreements and records, including:
 - i. latest statements/invoices for all utility companies;
 - ii. latest statements for all CRA accounts;
 - iii. historical sales reports from Global Fuel;
 - iv. insurance policies;
 - v. bank statements covering all transactions for the previous two weeks;
 - vi. contact information for the external accountant;
 - vii. snow removal contract; and
 - viii. summary of all creditors.
- c. authorized Sunny to continue managing daily operations, under the supervision and monitoring of the Receiver, subject to the Receiver carrying out all aspects of its mandate, including preparations for the commencement of a sales process;

- d. dismissed Sunny and his Father from the Cherrycrest Property on February 6, 2023 because, among other reasons, they were not responding satisfactorily to the Receiver's ongoing monitoring requests and to allow the Receiver to control the Cherrycrest Property and business operations for the commencement of its sales process. After the Receiver took possession of the Cherrycrest property on February 6, 2023 it undertook, among other things, the following actions and activities:
- i. retained a locksmith to change all exterior locks to the convenience store at the Cherrycrest Property;
 - ii. contacted each of: (i) the owner/operator of the KFC/Taco Bell franchise; (ii) the owner/operator of the Tim Horton's franchise; and, (iii) Bell Canada in order to advise of the appointment of the Receiver and ensure continued payment of rent as well as any rental arrears;
 - iii. attended the Bank of Nova Scotia ("**BNS**") to removed Sunny Tiwana and his Father from the banking authorities and adding a representative of the Receiver as the signing authority on 224Co.'s bank accounts;
 - iv. arranged for ongoing utility services;
 - v. retained 1753927 Ontario Inc. (the "**Cherrycrest Operator**") to operate the gas station, convenience store and car wash including, among other things, the following:
 - a. arranging for fuel deliveries;
 - b. setting daily motor fuel pump prices;
 - c. attending to any repairs and maintenance required at the property;
 - d. purchasing convenience store inventory and tobacco products;
 - e. hiring, managing and paying directly the employees needed for the operations; and,
 - f. depositing the cash sales into the BNS bank account;
 - vi. held discussions with representatives of Global Fuels Inc. ("**Global Fuels**") to advise of the appointment of the Receiver and negotiate a plan for the continued supply of fuel under the existing fuel supply agreement ("**Global Fuels Supply Agreement**");¹

¹ Global Fuels is the sole fuel supplier pursuant to a Motor Fuel Supply Agreement between 224Co. and Global Fuels dated January 1, 2018 and amended on November 9, 2020;

- vii. negotiated an agreement with Global Fuels whereby they agreed to temporarily waive their Right of First Refusal contained in the Global Fuels Supply Agreement during the Sales Process;
- viii. contacted both the Alcohol and Gaming Commission of Ontario (“AGCO”) and the OLG to activate the ‘lottery’ terminal which had been de-activated when the Receiver took possession of the Cherrycrest Property;²
- ix. applied for renewal of the expired business licenses with the City of Brampton;
- x. advised the City of Brampton of the Receiver’s appointment and requested current property tax certificates;

12016 Airport Road, Caledon

- a. attended the Bank of Nova Scotia (“**BNS**”) branch to remove Sunny Tiwana and his Father from the signing authorities and to add a representative of the Receiver as signing authority on 152Co.’s operating bank accounts;
- b. contacted both TDL and Shell to advise of the Receiver’s appointment and to confirm continuous payment of rent;
- c. negotiated with both TDL and Shell to temporarily waive their right of first refusal provisions included in their respective lease agreements during the sales process;
- d. contacted the Town of Caledon to advised of the Receiver’s appointment and requested a current property tax certificate;

Other Actions of the Receiver

- e. retained Paliare Roland (prior to its appointment) to act as the Receiver’s general counsel and Wildeboer Dellelce to act as transactional legal counsel;
- f. arranged for the mail of both 152Co. and 224Co. to be forwarded to the office of the Receiver;
- g. reviewed the existing insurance coverage for adequacy and contacted the insurance broker for the Companies to request that the Receiver be added as an additional insured and loss payee on the policies;

² OLG temporarily deactivate the ‘lottery’ terminal pending their review and acceptance of the Receiver’s application.

- h. retained Avison Young to prepare appraisals of both the Cherrycrest Property and the Airport Road Property (the “**Appraisals**”). Attached hereto as **Appendices “B” and “C”** are copies of the Appraisals which have had the capitalization rates and market values redacted. Unredacted versions of both appraisals are included as **Confidential Appendices “A” and “B”**;
- i. solicited listing proposals for the properties from three real estate brokerages and ultimately retaining Cushman & Wakefield ULC (“**C&W**”) as the listing agent for both properties;
- j. retained Fisher Engineering Limited (“**Fisher**”) to conduct current sampling and analysis of groundwater for both the Cherrycrest Property and the Airport Road Property;³
- k. prepared and issued the prescribed notices (together, the “**Receiver’s Notices**”) pursuant to Section 245(1) and 246(1) of the BIA on December 23, 2023. Copies of the Receiver’s Notices are attached hereto as **Appendix “D”**
- l. contacted the company’s external accountant to obtain certain of the books and records of the Companies and completed financial statements and tax returns;
- m. undertook the Sales Process to sell both the Cherrycrest Property and the Airport Road Property;
- n. contacted the CRA to confirm the amounts owing by the Companies for all CRA accounts;
- o. provided regular updates to the Lenders’ Representative regarding the administration of the receivership;
- p. in accordance with paragraph 25 of the Appointment Order, established the Case Website which the Receiver maintains and populates and,
- q. responded to the enquiries from various creditors and other stakeholders.

VI. ASSETS AND LIABILITIES

Assets

224Co.

30. 224Co.’s tangible assets consist of the following:

³ CSA standard Phase II ESA’s for both properties had been completed by Fisher in January/February 2022

- a. the Cherrycrest Property;
- b. the business, equipment and inventory of the gas station, retail store and car wash; and
- c. the property lease agreements with TDL, KFC/Taco Bell and Bell

152Co.

31. 152Co.'s tangible assets are the Airport Road Property and the property lease agreements with Shell and TDL.

Secured Liabilities

Mortgages over Real Property

224Co.

32. 224Co. granted certain of the Lenders the following charges on the Cherrycrest Property:

- a. a first charge in favour of 204, 222 and 560 in the amount of \$10,750,000; and
- b. a second charge in favour of 204, 222 and 441 in the amount of \$3,800,000.

33. The Receiver engaged its legal counsel, Paliare Roland, to provide an independent legal opinion in respect of the validity and enforceability of the Lenders' security over the Cherrycrest Property (the "**Security Opinion**").⁴

34. Subject to the standard assumptions and qualifications contained in the opinion, Paliare Roland is of the opinion that: (i) 204, 222 and 560 have a valid and enforceable first charge in accordance with its terms against the Cherrycrest Property; and (ii) 204, 222 and 441 have a valid and enforceable second charge in accordance with its terms against the Cherrycrest Property.

152Co.

35. 152Co. granted certain of the Lenders the following charges on the Airport Road Property:

- a. a first charge in favour of 204, 222 and 560 in the amount of \$10,750,000; and
- b. a second charge in favour of 204, 222 and 441 in the amount of \$2,000,000.

36. Subject to the standard assumptions and qualifications contained in the opinion, Paliare Roland is of the opinion that: (i) 204, 222 and 560 have a valid and enforceable first charge in accordance with its terms against the Airport Road Property; and (ii) 204, 222 and 441 have a valid and enforceable second charge in accordance with its terms against the Airport Road Property.

⁴ A copy of the Security Opinion in respect of Lenders security is available to the Court upon request.

PPSA Security

37. The Receiver continues to take steps to ascertain the status of certain registrations under the *Personal Property Security Act* (Ontario) (“**PPSA Security**”) in respect to both 152Co. and 224Co. The Receiver will report further on these registrations in its next report to the Court.

38. As described below, the Receiver’s proposed Interim Distribution (as defined below) will be premised on the consideration received for the Cherrycrest Property and the Airport Road Property (but not any consideration for other purchased assets to which PPSA Security may attach).

Realty Taxes

39. The Receiver estimates the realty tax arrears for 224Co. will be approximately \$125,000 at July 31, 2023 based upon the most recent realty tax statement.

40. The Receiver estimates the realty tax arrears for 152Co. will be approximately \$40,000 at July 31, 2023 based upon the most recent realty tax statement.

Canada Revenue Agency

41. The CRA conducted an audit of the Harmonized Sales Tax (“**HST**”), payroll deductions at source (“**DAS**”) and corporate income tax accounts for both 224Co. and 152Co during the receivership administration. Based upon the audit, CRA issued claims to the Receiver on June 20, 2023 as follows:

224Co.

- a. an amount of \$16,004.60 in respect of corporate income tax. This debt is an unsecured liability;
- b. an amount of \$19,082.50 in respect of unpaid DAS of which \$8,606.59 represents a deemed trust that ranks in priority to the claims, secured or otherwise, of all creditors; and
- c. the assessment for unpaid HST had not been completed by CRA at the date of this report. The Receiver’s preliminary calculation is that the CRA’s assessment will be approximately \$140,000 plus penalties and interest, based upon the 2022 HST returns filed by 224Co. prior to the receivership. The Receiver cautions that the HST liability ultimately assessed by CRA may be materially different from this estimate if CRA uncovered material errors or irregularities during their audit which arose during the pre-receivership period.

152Co.

- d. an amount of \$91,191.50 in respect of corporate income tax. This debt is an unsecured liability;

- e. an amount of \$9,244.32 in respect of unpaid DAS of which \$2,684.85 represents a deemed trust that ranks in priority to the claims, secured or otherwise, of all creditors; and,
- f. an amount of \$194,053.88 in respect of HST of which \$164,555.98 represents a deemed trust that ranks in priority to the claims, secured or otherwise, of all creditors.

Unsecured Liabilities

42. The Receiver is not aware of any material unsecured creditors of 224Co. or 152Co. beyond the unsecured portions of the CRA liabilities set out above. However, the Receiver notes that the sale of the Cherrycrest Property and the Airport Road Property may trigger capital gains, recapture and other tax liabilities and result in, potentially, a further unsecured liability owing to the CRA. The Receiver is not able to estimate the quantum of these potential liabilities at this time.

VII. SALES PROCESS

43. In accordance with paragraphs 3(j) and 3(k) of the Appointment Order the Receiver was empowered and authorized to market and sell any or all of the property of the Companies, subject to Court approval, if any sale exceeded the thresholds established in the Appointment Order.

44. The Receiver entered into listing agreements with C&W on April 15, 2023 for the purposes of listing for sale both the Cherrycrest Property and the Airport Road Property.

45. On May 1, 2023 both of the real properties were publicly listed on the Multiple Listing Service with no asking price. The listing was for a period of 46 days with the bid deadline set for June 15, 2023 at 4 p.m. (Toronto time) (the “**Bid Deadline**”).

46. C&W established a virtual data room for each real property, which included information, documents and certain financial records available to the Receiver. Prior to gaining access to the data room a prospective purchaser was required to sign the Receiver’s form of Non-Disclosure Agreement (“**NDA**”). During the listing period, approximately 130 NDAs were signed for each of the Cherrycrest Property and the Airport Road Property.

47. Included in the virtual data room were the Receiver’s Terms and Conditions of Sale (“**T&C**”), which are attached hereto as **Appendix “E”**. The salient items included in the T&C were as follows:

- a. a deadline to make an offer of June 15, 2023 at 4 p.m. (Toronto time) (defined above as the Bid Deadline);
- b. each offer must be accompanied by a cash deposit of 10% of the total purchase price;

- c. any party whose offer is accepted by the Receiver must enter into an agreement of purchase and sale with terms consistent with insolvency related transactions. The Receiver's preferred form of asset purchase agreement was included with the T&C;
- d. the highest or any offer for the Property will not necessarily be accepted and the Receiver;
- e. each property is being sold on an "as is, where is" basis;
- f. the Receiver will not accept any offer which is conditional on financing;
- g. all offers are irrevocable by the offeror for a period of 10 business days from the Bid Deadline;
- h. for offers to purchase the Cherrycrest Property, offerors will be required to assume the Global Fuels Supply Agreement or such other agreement as agreed upon by the Offeror and Global Fuels;
- i. for offers to purchase the Airport Road Property, offerors will be required to assume the TDL and Shell lease agreements.

48. The Receiver received 8 offers to purchase the Cherrycrest Property and 12 offers to purchase the Airport Road Property by the Bid Deadline. A summary of the offers received for both properties is included as **Confidential Appendices "C" and "D"**.

49. On June 21, 2023 the Receiver accepted the offer from the Cherrycrest Purchaser to purchase the Cherrycrest Purchased Assets. The Receiver and the Cherrycrest Purchaser subsequently executed the Cherrycrest Purchase Agreement. Attached hereto as **Appendix "F"** is the Cherrycrest Purchase Agreement which has had the purchase price redacted. An unredacted version of the Cherrycrest Purchase Agreement is included as **Confidential Appendix "E"**.

50. On June 21, 2023 the Receiver accepted the offer from the Airport Road Purchaser to purchase the Airport Road Purchased Assets. The Receiver and the Airport Road Purchaser subsequently entered into the Airport Road Purchase Agreement. Attached hereto as **Appendix "G"** is the Airport Road Purchase Agreement which has had the purchase price redacted. An unredacted version of the Airport Road Purchase Agreement is included as **Confidential Appendix "F"**.

Terms of the Purchase Agreements

51. The purchase agreements for both properties are substantially the same and both contain the following salient terms:

- a. The purchase price is to be paid in cash on closing;
- b. The purchaser has provided the Receiver with a cash deposit of 10% of the purchase price;

- c. The assets being purchased by the Cherrycrest Purchaser include the Cherrycrest Property, the Contracts, the Inventory and the Books and Records, as those terms are defined in the purchase agreement;
- d. The assets being purchased by the Airport Road Purchaser include the Airport Road Property, the Contracts and the Books and Records, as those terms are defined in the purchase agreement;
- e. The purchasers are purchasing the property on an “as is, where is” basis and the Receiver is providing no representations or warranties in respect of these assets, as is typical for transactions of this nature;
- f. The Cherrycrest Purchase Agreement is conditional only upon this Court approving the Cherrycrest Transaction and vesting in the Cherrycrest Purchaser 224Co.’s right, title and interest in and to the Cherrycrest Purchased Assets free and clear of any and all encumbrances; and
- g. The Airport Road Purchase Agreement is conditional only upon this Court approving the Airport Road Transaction and vesting in the Airport Road Purchaser 152Co.’s right, title and interest in and to the Airport Road Purchased Assets free and clear of any and all encumbrances.

Court Approval

52. In accordance with paragraph 3(k) of the Appointment Order, the Receiver is not permitted to sell any of the property of the Companies if the aggregate consideration exceeds \$100,000. Accordingly, the Receiver requires Court approval to complete both the Cherrycrest Transaction and the Airport Road Transaction.

Cherrycrest Transaction

53. The Receiver believes that the Cherrycrest Transaction as contemplated by the Cherrycrest Purchase Agreement is fair and reasonable for the following reasons:

- a. The quantum of the purchase price is higher than the appraised amount set out in the Cherrycrest Property appraisal (the unredacted version of the Cherrycrest Property appraisal is included a Confidential Appendix “B”);
- b. The Cherrycrest Property was listed publicly for a period of 46 days which, in the Receiver’s opinion, provided adequate market exposure;
- c. The Cherrycrest Purchaser has provided a non-refundable deposit of 10 percent of the purchase price;

- d. The Cherrycrest Purchase Agreement is conditional only upon the Court's approval of the Cherrycrest Transaction and vesting in the Cherrycrest Purchaser the Cherrycrest Purchased Assets free and clear of any and all encumbrances;
- e. The Cherrycrest Purchase Agreement contemplates that the Cherrycrest Purchaser shall purchase the Cherrycrest Property on an "as is, where is" basis and that the Receiver is providing no representations or warranties in respect of the Cherrycrest Property; and
- f. Subject to obtaining Court approval, the Receiver anticipates closing the Cherrycrest Transaction forthwith after Court approval, which reduces the inherent risks associated with remaining in possession and control of the Cherrycrest Purchased Assets.

54. For the reasons stated above, the Receiver believes that the Cherrycrest Transaction, as contemplated in the Cherrycrest Purchase Agreement, is fair and reasonable and represents the highest and best realization for the Cherrycrest Purchased Assets.

Airport Road Transaction

55. The Receiver believes that the Airport Road Transaction as contemplated by the Airport Road Purchase Agreement is fair and reasonable for the following reasons:

- g. The quantum of the purchase price is higher than the appraised amount set out in the Airport Road Property appraisal (the unredacted version of the Airport Road Property appraisal is included a Confidential Appendix "C");
- h. The Airport Road Property was listed publicly for a period of 46 days which, in the Receiver's opinion, provided adequate market exposure;
- i. The Airport Road Purchaser has provided a non-refundable deposit to the Receiver in the amount of 10 percent of the purchase price;
- j. The Airport Road Purchase Agreement is conditional only upon the Court's approval of the Airport Road Transaction and vesting in the Airport Road Purchaser the Airport Road Purchased Assets free and clear of any and all encumbrances;
- k. The Airport Road Purchase Agreement contemplates that the Airport Road Purchaser shall purchase the Airport Road Property on an "as is, where is" basis and that the Receiver is providing no representations or warranties in respect of the Airport Road Property; and
- l. Subject to obtaining Court approval, the Receiver anticipates closing the Airport Road Transaction forthwith after Court approval, which reduces the inherent risks associated with remaining in possession and control of the Airport Road Property.

56. For the reasons stated above, the Receiver believes that the Airport Road Transaction, as contemplated in the Airport Road Purchase Agreement, is fair and reasonable and represents the highest and best realization for the Airport Road Purchased Property in the circumstances.

57. The sale proceeds generated from the Cherrycrest Transaction and the Airport Road Transaction are expected to result in a full payout of the secured claims of the Lenders with an expected surplus available for the unsecured creditors and shareholders of one or both Companies. The Receiver will provide a further report to the Court in due course with its recommendation for the distribution of any available surplus for the unsecured creditors and shareholders.

58. Accordingly, the Receiver recommends that (i) this Court approve both the Cherrycrest Transaction and the Airport Road Transaction as contemplated by the Cherrycrest Purchase Agreement and the Airport Road Purchase Agreement; (ii) authorize completion of both transactions; and (iii) grant Orders: (a) vesting title of the Cherrycrest Purchased Assets in and to the Cherrycrest Purchaser; and (b) vesting title of the Airport Road Purchased Assets in and to the Airport Road Purchaser.

VIII. INTERIM SRD

59. The Receiver will provide a full accounting of the receipts and disbursements for both 224Co. and 152Co. in a subsequent report to Court. As of July 5, 2023 the balance of funds in the Receiver's estate trust bank accounts for 224Co. and 152Co. are \$201,851.16 and \$4,513.94, respectively.

IX. RECEIVER'S AND ITS COUNSEL'S ACCOUNTS

60. The fees of the Receiver for the period to June 27, 2023 are detailed in the affidavit of Joe Albert, a copy of which is attached as **Appendix "H"**.

61. The Receiver's fees encompass 727.9 hours at an average hourly rate of approximately \$458 for a total of \$333,385 and applicable taxes. The Receiver is therefore requesting that this Court approve total fees inclusive of applicable taxes in the amount of \$376,725.

62. The fees and disbursements of Paliare Roland for the period November 9, 2022 to June 30, 2022 are detailed in the affidavit of Beatrice Loschiavo affirmed July 6, 2023, a copy of which is attached as **Appendix "I"**.

63. Paliare Roland's fees encompass 45.6 hours at an average hourly rate of approximately \$743 for total fees of \$33,889.50 and accounts totalling \$40,080.71 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve Paliare Roland's total fees and disbursements inclusive of applicable taxes in the amount of \$40,080.71.

64. The fees and disbursements of Wildeboer Dellelce for the period February 24 to June 30, 2023 are detailed in the affidavit of Cassidy Doherty a copy of which is attached as **Appendix "J"**.

65. Wildeboer Dellelce fees encompass 36.9 hours at an average hourly rate of approximately \$617 for a total of \$22,759.00 prior to disbursements of \$577.10 and applicable taxes. The Receiver is therefore requesting that this Court approve Wildeboer Dellelce's total fees and disbursements inclusive of applicable taxes in the amount of \$26,330.92.

66. The Receiver is of the view that the hourly rates charged by Paliare Roland and Wildeboer Dellelce are consistent with the rates charged by law firms practising in the area of insolvency in the Toronto market and that the fees charged are reasonable and appropriate in the circumstances.

X. RECEIVER'S PROPOSED DISTRIBUTION

67. The Receiver proposes the following distribution of the sale proceeds from the Cherrycrest Transaction and Airport Road Transaction (collectively the "**Interim Distributions**"):

- a. payment of the amount due on closing for any realty taxes owing on either or both of the Cherrycrest Property and the Airport Road Property as at the closing date;
- b. payment of the charges due under the Appointment Order and, specifically, the unpaid fees of the Receiver and its counsel, Paliare Roland and Wildeboer Dellelce, as approved by this Court;
- c. Payment of the sums due to the CRA in priority as follows:
 - i. 224Co: unpaid source deductions deemed trust in the sum of \$8,606.59;
 - ii. 224Co: HST deemed trust in full, once assessed by CRA;
 - iii. 152Co.: HST deemed trust in the sum of \$164,555.98;
 - iv. 152Co.: unpaid source deductions deemed trust in the sum of \$2,684.85
- d. payment of the amounts due to the Lenders up to the amount of the total indebtedness owing to such Lenders and allocated as consideration for the Cherrycrest Property and the Airport Road Property which amounts may be adjusted at the Receiver's discretion on receiving updated loan amounts from the Lenders.

XI. RECEIVER'S CONCLUSION AND RECOMMENDATION

68. Based on the foregoing, the Receiver respectfully submits this First Report to the Court in support of the Receiver's motion for an Order:

- a. approving this First Report and the Receiver's activities as outlined herein;
- b. authorizing and directing the Receiver to complete the Cherrycrest Transaction as contemplated by the Cherrycrest Purchase Agreement, with such minor amendments as the Receiver may deem necessary or appropriate, and take all steps necessary to give effect to the Cherrycrest Transaction;
- c. vesting the Cherrycrest Purchased Assets in the Cherrycrest Purchaser free and clear of all encumbrances pursuant to approval and vesting orders 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 Receiver filing the Receiver's Certificate attached thereto;

- d. authorizing and directing the Receiver to complete the Airport Road Transaction as contemplated by the Airport Road Purchase Agreement, with such minor amendments as the Receiver may deem necessary or appropriate, and take all steps necessary to give effect to the Airport Road Transaction;
- e. vesting the Airport Road Purchased Assets in the Airport Road Purchaser free and clear of all encumbrances pursuant to approval and vesting orders 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 Receiver filing the Receiver's Certificate attached thereto;
- f. sealing the unredacted versions of the Appraisals, Cherrycrest Purchase Agreement, Airport Road Purchase Agreement as well as a summary of offers until the closing of the respective transaction;
- g. distributing the amounts as proposed in this First Report following the closing of the Cherrycrest Transaction and the Airport Road Transaction; and
- h. approving the fees and disbursements of the Receiver and its counsel, Paliare Roland and Wildeboer Dellelce, as outlined herein.

All of which is respectfully submitted this 7th day of July 2023

**ALBERT GELMAN INC., solely in its
capacity as Court-Appointed Receiver
of each of the Companies, and not in
any other capacity**



Per: _____

Joe Albert, CPA, CIRP, LIT

TAB F

Court File No.: CV-22-00690513-00CL

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (the "**Court**") dated December 1, 2022, Albert Gelman Inc. was appointed as the receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**").

B. Pursuant to an Order of the Court dated July 19, 2023 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale between the Receiver and 1000567934 Ontario Inc. (the "**Purchaser**") dated June 15, 2023 (the "**Purchase Agreement**") and vesting in the Purchaser all of 224Co.'s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets in accordance with the Purchase Agreement; (ii) that the conditions of Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the

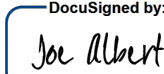
Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement or the Vesting Order.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at 12:29 p.m. on August 31, 2023.

Albert Gelman Inc., solely in its capacity as receiver and manager of 224Co. and not in its personal or corporate capacity

DocuSigned by:

Per: _____
Name Joe Albert
Title Licensed Insolvency Trustee

TAB G

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (the "**Court**") dated December 1, 2022, Albert Gelman Inc. was appointed as the receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2244039 Ontario Inc. ("**224Co.**") and 1526400 Ontario Inc. ("**152Co.**").

B. Pursuant to an Order of the Court dated July 19, 2023 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale between the Receiver and 2484460 Ontario Inc. (the "**Purchaser**") dated June 14, 2023 (the "**Purchase Agreement**") and vesting in the Purchaser all of 152Co.'s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets in accordance with the Purchase Agreement; (ii) that the conditions of Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the

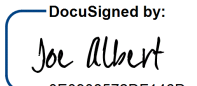
Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement or the Vesting Order.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at 12:17 p.m. on July 31, 2023.

Albert Gelman Inc., solely in its capacity as receiver and manager of 152Co. and not in its personal or corporate capacity

Per: 
Name Joe Albert
Title ASO

TAB H

PAYOUT STATEMENT

Lenders: 2046245 ONTARIO INC. / 2222228 ONTARIO INC. / 2473560 ONTARIO INC.

Registered Charges

35 CHERRYCREST DR BRAMPTON, ON (PR4034965)
 12016 AIRPORT RD CALEDON ON (PR4035001)


Matter: Cherrycrest/ Airport Rd
Payout Date: August 14, 2023


Principal Amount as of the date noted above	\$ 10,750,000.00
Accured Interest from June 14, 2022	\$ 1,144,875.00
Enforcement Fee (3% of Principal - Clause 6 of Commitment)	\$ 322,500.00
Legal Fees and Disbursements for Mortgage Enforcement	\$ 128,250.88
HST on legal fees and disbursements for mortgage enforcement	\$ 16,672.61
Mortgage Discharge Statements	\$ 4,000.00
Service Fee for Accounting Disbursement (Clause 26 of Commitment)	\$ 15,000.00
HST on Service Fee	\$ 1,950.00

TOTAL OWING AS OF THE PAYOUT DATE	\$ 12,383,248.49
--	-------------------------

Per Diem: \$ 2,687.50
 E&OE

2046245 ONTARIO INC 2222228 ONTARIO INC. 2473560 ONTARIO INC.

DocuSigned by:

 F2468E23F94C4FE
 Per: DEVINDER GILL

DocuSigned by:

 277870B19ACE485
 Per: MANJINDER JAGDEV

DocuSigned by:

 55D47CB4FE824D0
 Per: JASKUNWAR GILL

All accrued interest is to August 14, 2023
 This statement expires on August 14, 2023

PAYOUT STATEMENT

Lenders: 2046245 ONTARIO INC. / 2222228 ONTARIO INC. / 2473441 ONTARIO INC.

Registered Charges

35 CHERRYCREST DR BRAMPTON, ON (PR4009527)
 25 TRAIL RIDER BRAMPTON ON (PR4009450)
 42 PINECONE DRIVE TORONTO ON (AT6012096)
 12016 AIRPORT RD CALEDON ON (PR4009538)

Matter: Cherrycrest/ Airport Rd
Payout Date: August 14, 2023


Principal Amount as of the date noted above	\$ 3,800,000.00
Accured Interest from May 7, 2022	\$ 881,600.00
Enforcement Fee (3% of Principal - Clause 6 of Commitment)	\$ 114,000.00
Legal Fees and Disbursements for Mortgage Enforcement	\$ 75,942.73
HST on legal fees and disbursements for mortgage enforcement	\$ 9,872.55
Mortgage Discharge Statements	\$ 4,000.00
Service Fee for Accounting Disbursement (Clause 26 of Commitment)	\$ 5,000.00
HST on Service Fee	\$ 650.00


TOTAL OWING AS OF THE PAYOUT DATE	\$ 4,891,065.28
--	------------------------

Per Diem: \$ 1,900.00

E&OE

2046245 ONTARIO INC 2222228 ONTARIO INC. 2473441 ONTARIO INC.

DocuSigned by:

F2468E23694C4FE
 Per: DEVINDER GILL

DocuSigned by:

277570E19ACE485
 Per: MANJINDER JAGDEV

DocuSigned by:

76A0C84DC1054C0
 Per: SURINDER RAI

All accrued interest is to August 14, 2023
 This statement expires on August 14, 2023

TAB I

PAYOUT STATEMENT

Lenders: 2046245 ONTARIO INC. / 2222228 ONTARIO INC. / 2473441 ONTARIO INC.

Registered Charges

35 CHERRYCREST DR BRAMPTON, ON (PR4009527)
 25 TRAIL RIDER BRAMPTON ON (PR4009450)
 42 PINECONE DRIVE TORONTO ON (AT6012096)
 12016 AIRPORT RD CALEDON ON (PR4009538)

Matter: Cherrycrest/ Airport Rd
Payout Date: October 12, 2023


Principal Amount as of the date noted above	\$ 2,313,595.59
Accrued Interest from September 12, 2023	\$ 34,703.93
Legal Fees and Disbursements for Mortgage Enforcement	\$ 1,000.00
HST on legal fees and disbursements for mortgage enforcement	\$ 130.00
Mortgage Discharge Statements	\$ 2,000.00


TOTAL OWING AS OF THE PAYOUT DATE					\$ 2,351,429.52
--	--	--	--	--	------------------------


Per Diem: \$ 1,156.80

E&OE

2046245 ONTARIO INC 2222228 ONTARIO INC. 2473441 ONTARIO INC.

DocuSigned by:

F2468E23694C4FE
 Per: DEVINDER GILL

DocuSigned by:

277570B19ACE485...
 Per: MANJINDER JAGDEV

DocuSigned by:

76A0C84DC1054C0
 Per: SURINDER RAI

All accrued interest is to October 12, 2023
 This statement expires on October 12, 2023

TAB J

2244093 Ontario Inc. Ontario Inc.
Capital gains calculation and tax payable projection
Sale 2023

	Per 2022 Trial balance NBV 2022/12/31	
Building	5,733,721.46	
A/A Building	<u>(1,300,278.00)</u>	
NBV Building	4,433,443.46	
Computer	3,716.00	
A/A Computer	<u>(3,185.00)</u>	
NBV Computer	531.00	
Equipment	398,933.40	
A/A Equipment	<u>(264,774.00)</u>	
NBV Equipmen	134,159.40	
Land	3,897,409.00	
Proceeds	13,500,000.00	Per Tom McElroy
Less: Commissions	<u>(270,000.00)</u>	Commissions 2% per Joe Albert
Less: Legal and consulting	-	Take out per Joe Albert
Net Proceeds	<u>13,230,000.00</u>	Estimated
Capital Gain per Books	4,764,457.14	Estimated

****Allocate the net proceeds based on the original cost**

	Original Cost		Net Proceeds allocation
Building	5,733,721.46	57.14%	7,560,175.33
Equipment	398,933.40	3.98%	526,012.03
Computer	3,716.00	0.04%	4,899.72
Land	<u>3,897,409.00</u>	38.84%	<u>5,138,912.93</u>
	10,033,779.86		13,230,000.00

Recapture per T2
Lesser of Original Cost and Proceeds on building

Building O.C	5,733,721.46	
Net Proceeds on building	7,560,175.33	
UCC Building 2022	4,484,119.68	
Recapture building	<u>1,249,601.78</u>	
Equipment O.C	398,933.40	
Net Proceeds on equipment	526,012.03	
UCC Equipment	30,856.00	
Recapture equipment	<u>368,077.40</u>	
Computer O.C	3,716.00	
Net Proceeds on Computer	4,899.72	
UCC Computer	531.00	
Recapture computer	<u>3,185.00</u>	
Total Recapture	1,620,864.18	
Tax on additional taxable income first 500K 12.2%	61,000.00	Small business limit
Tax on additional taxable income over 500K 26.5%	297,029.01	CCPC non passive income rate

Capital Gain Building

Net Proceeds	7,560,175.33	
O.C Building	<u>5,733,721.46</u>	
Capital Gain	1,826,453.87	
Taxable Capital Gain	913,226.93	
Tax rate 50.17%	458,165.95	
Net Proceeds on Land	5,138,912.93	
O.C Land	<u>3,897,409.00</u>	
Capital Gain	1,241,503.93	
Taxable Capital Gain	620,751.97	
Tax rate 50.17%	311,431.26	
Total estimated tax payable	1,127,626.22	

1526400 Ontario Inc.
Capital gains calculation and tax payable projection
Sale 2023

	Per 2021 FS NBV 2021/12/31	4% Amortization 2022	Estimated 2022 NBV 2022/12/31	No amortization in year of disposal NBV 2023
Building	1,645,764.00	65,830.56	1,579,933.44	1,579,933.44
Land	1,500,000.00	-	1,500,000.00	1,500,000.00
Proceeds				6,000,000.00
Less: Commissions				(180,000.00)
Less: Legal and consulting				-
Net Proceeds				5,820,000.00
Capital Gain per Books				2,740,066.56

****Allocate the net proceeds based on the original cost**

	Original Cost		Net Proceeds allocation
Building	2,002,683.00	57.18%	3,327,624.87
Land	1,500,000.00	42.82%	2,492,375.13
	3,502,683.00		5,820,000.00

Recapture per T2
Lesser of Original Cost and Proceeds on building

Building O.C	2,002,683.00	
Net Proceeds on building	3,327,624.87	
UCC Ending Building 2021-Per T2	548,084.00	
Less 4% CCA	(21,923.36)	
UCC Ending Building 2022-estimated	526,160.64	
Recapture on disposition	1,476,522.36	
Tax on recapture 50.17%		740,771.27

Capital Gain Building

Net Proceeds	3,327,624.87	
O.C Building	2,002,683.00	
Capital Gain	1,324,941.87	
Taxable Capital Gain	662,470.93	
Tax rate 50.17%		332,361.67

Capital Gain Land

Net Proceeds on Land	2,492,375.13	
O.C Land	1,500,000.00	
Capital Gain	992,375.13	
Taxable Capital Gain	496,187.57	
Tax rate 50.17%		248,937.30
Total estimated tax payable		1,322,070.24

TAB K

**In the Matter of the Receivership of 2244039 Ontario Inc.
Receiver's Interim Statement of Receipts and Disbursements
As at October 12, 2023**

Receipts		<u>Notes</u>
Proceeds from sale of real property	\$ 13,500,000	
Sales	3,433,121	(1)
Rental income	156,533	
Net transfers (to) / from Bank of Nova Scotia bank account	(361,000)	(2)
Advances from Secured Creditor	12,500	
Interest income	4,503	
Miscellaneous income	4,633	
	<u>16,750,290</u>	
Disbursements		
Distribution to secured creditor	10,100,000	
Fuel purchases	2,268,117	(3)
Commission on sale of real property	305,100	
Property management fees	235,507	
Receiver's Fees to October 12, 2023	190,361	
OLG Lottery	189,040	
Property taxes	142,262	
Payment to CRA - Deemed Trust - HST	114,898	
Payment to CRA - Deemed Trust - Source Deductions	8,607	
HST charged on disbursements	74,779	
Legal fees of Paliare Roland Rosenberg Rothstein LLP to September 30, 2023	69,966	
Utilities	35,716	
Repairs and maintenance	21,126	
Insurance	17,609	
Real property appraisal	6,679	
Accounting fees	5,940	
Environmental consulting	5,000	
Locksmith and security	1,255	
License fees - Promeric	1,015	
Travel and parking	877	
Search Fees	458	
Postage and photocopies	329	
Filing fee	73	
Bank charges	50	
Courier	36	
	<u>13,794,800</u>	
Actual net receipts over disbursements	\$ <u>2,955,489</u>	

Notes:

- (1) Represents the net funds received by the Receiver.
- (2) Represents the net transfers to and from the company's Bank of Nova Scotia bank account.
- (3) Represents the net payments made by the Receiver to Global Fuel.

**In the Matter of the Receivership of 1526400 Ontario Inc.
Receiver's Interim Statement of Receipts and Disbursements
As at October 12, 2023**

Receipts

Proceeds from sale of real property	6,000,000
Rental income	139,069
Transfer from Bank of Nova Scotia bank account	\$ 50,000
Advances from Secured Creditor	12,500
Interest income	12,426
	<u>6,213,995</u>

Disbursements

Distribution to secured creditor	5,000,000
Receiver's Fees to October 12, 2023	273,456
Commission on sale of real property	180,000
Payment to CRA - Deemed Trust - HST	164,556
HST charged on disbursements	63,055
Property taxes	40,173
Legal fees of Paliare Roland Rosenberg Rothstein LLP to September 30, 2023	23,336
Real property appraisal	6,679
Payment to CRA - Deemed Trust - Source Deductions	2,685
Insurance	2,006
License fees - Promeric	550
Travel and parking	155
Postage and photocopies	134
Filing fee	73
Search Fees	59
Bank charges	53
	<u>5,756,968</u>

Actual net receipts over disbursements \$ 457,027

TAB L

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

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

RECEIVER'S AFFIDAVIT OF FEES

I, Joe Albert, of the Town of Oakville, make oath and say as follows:


1. I am a Licenced Insolvency Trustee and employee of Albert Gelman Inc. ("**Receiver**"), Receiver of 2244039 Ontario Inc. and 1526400 Ontario Inc., and as such have knowledge of the facts herein deposed to.
2. The Receiver has prepared invoices in connection with its fees as follows:
 - a. An account dated July 31, 2023 for the period from June 4 to July 31, 2023 of \$40,896.50, plus HST thereon;
 - b. An account dated August 31, 2023 for the period from August 1 to 31, 2023 of \$40,122.00, plus HST thereon;
 - c. An account dated September 30, 2023 for the period from September 1 to 30, 2023 of \$36,678.50, plus HST thereon; and,
 - d. An account dated October 12, 2023 for the period from October 1 to 12, 2023 of \$12,734.50, plus HST thereon.

3. A summary of the Receiver's time by staff member is as follows:

Staff member	Position	Hours worked	Hourly	Total
			rate	
			(\$)	(\$)
Bryan Gelman, CIRP, LIT	Principal	21.2	565.00	11,978.00
Joe Albert, CPA, CA, DIFA, CIRP, LIT	Principal	56.3	630.00	35,469.00
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Associate	129.6	495.00	64,152.00
Suzette Warner, CFE, CPA, CGA, FCCA	Associate	25.5	395.00	10,072.50
Mahmood Shafique	Associate	4.6	350.00	1,610.00
Neeta Patel	Associate	11.0	350.00	3,850.00
Daphna Cherniak	Estate Administrator	15.0	220.00	3,300.00
		<u>263.2</u>	<u>495.56</u>	<u>130,431.50</u>

4. The Receiver's total fees are \$130,431.50, its total hours spent is 263.2 and, therefore, its average hourly rate is calculated to be \$495.56.
5. The Receiver'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 Joe Albert at Oakville, Ontario
before me at Toronto, Ontario in accordance with
O. Reg. 431/20, Administering Oath or Declaration
Remotely, the 13th day of October 2023

}
}
} 
} _____
Joe Albert



Thomas John McElroy, a Commissioner, etc.,
Province of Ontario, for Albert Gelman Inc.
Expires February 14, 2025

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Jul 31, 2023
Invoice No: 6535
Billing Through: Jul 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-06-04	NPATEL	Worked on May & January bookkeeping;	8.00	\$350.00	\$2,800.00
2023-06-06	NPATEL	January sales entries and expenses and Bank rec's;	3.00	\$350.00	\$1,050.00
2023-06-28	JALBERT	TC T McElroy to prepare for meeting with purchaser on transition matters and Teams call with purchaser; Teams meeting Tom and pre-closing and post-closing issues and review/amend checklist of matters	1.20	\$630.00	\$756.00
2023-06-28	TMCELROY	Prep for and attend call with prospective purchaser of 35 Cherrycrest, legal counsel, J. Albert and Wisam B.; Discuss various pre-closing matters with J. Albert; Review of estate trust accounting;	1.60	\$495.00	\$792.00
2023-06-28	SWARNER	Responded to email from J&K Petroleum re payment	0.10	\$395.00	\$39.50
2023-06-28	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-06-29	TMCELROY	Review of daily sales report; Discuss various operational matters with Sam; Instructions to D. Cherniak re banking matters; Email to Michel (Global Fuel);	0.70	\$495.00	\$346.50
2023-06-29	JALBERT	on-line & other monitoring; email exchanges/updates on closing matters and report; review CRA claims received	0.50	\$630.00	\$315.00
2023-06-29	SWARNER	Reviewed and actioned mail through Canada Post	0.50	\$395.00	\$197.50
2023-06-29	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-06-30	JALBERT	on-line monitoring; review counsel's changes to draft report	0.40	\$630.00	\$252.00
2023-07-03	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-04	TMCELROY	Review of daily sales report; Instructions to D. Cherniak re banking matters; Call with Wisam re various operational matters; Review of counsel's comments to Report; Further revisions to Court; Assemble appendices; Email to Michele (Global Fuel); Email to prospective purchaser re email re open permits; Emails to counsel; Email to Secured creditor re payout statement; Finalize fee affidavit;	4.90	\$495.00	\$2,425.50
2023-07-04	JALBERT	Teams call Tom on work order issue raised by purchaser on car wash; email exchanges on closing of sale and documents for report	0.40	\$630.00	\$252.00
2023-07-04	SWARNER	save daily sales report ; responded to email from accountant re hst returns	0.30	\$395.00	\$118.50
2023-07-04	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-05	JALBERT	on-line monitoring; review draft Notice of Motion prepared by counsel	0.50	\$630.00	\$315.00

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

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Jul 31, 2023

Invoice No: 6535

Billing Through: Jul 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-07-05	TMCELROY	Review of daily sales report; Review of daily trust estate banking report; Review and comments to J. Larry re draft for of AVO's and ancillary order;	1.80	\$495.00	\$891.00
2023-07-05	SWARNER	email with accountant re review of data	0.20	\$395.00	\$79.00
2023-07-05	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-06	TMCELROY	Review of labour invoice from property manager; Approve disbursement; Email to Insurance Broker re Airport rd. policy renewal; Discuss First Report with J. Albert; Finalize report to Creditors; Discussions with counsel re First Report to Court and other matters; Approve disbursement; Instructions to D. Cherniak re banking matters; Video conference with S. Warner and J. Formosa (accountant) re accounting during possession;	4.30	\$495.00	\$2,128.50
2023-07-06	JALBERT	comments to counsel on draft notice of motion; review and amendments to draft Receiver's report. Review, amendments to final version of report, execute and send to counsel for service	2.00	\$630.00	\$1,260.00
2023-07-06	SWARNER	Meeting with James Formusa for detailed review of accounting ; reviewed daily sales transaction report	3.10	\$395.00	\$1,224.50
2023-07-06	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-07	TMCELROY	Discuss with Wisam various operational matters;	0.20	\$495.00	\$99.00
2023-07-07	JALBERT	Review of Motion Record and confirm approval for counsel; on-line monitoring	0.80	\$630.00	\$504.00
2023-07-07	SWARNER	File review and responded to email from Global fuel regarding payment; email with J Formusa re accounting	0.40	\$395.00	\$158.00
2023-07-07	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-08	JALBERT	review email exchanges, building and zoning searches re: apparent work orders on car wash; consider matter and email to counsel on issues to address/discuss	0.80	\$630.00	\$504.00
2023-07-10	JALBERT	Teams meeting counsel on issue of open permits for car wash raised by buyer; Teams meeting Tom and buyer's request for information and documents.	0.60	\$630.00	\$378.00
2023-07-10	TMCELROY	Review of daily sales reports; Correspondence from purchaser; Video conference with counsel re 'open' work permits on car wash; Discussion with J. Albert re purchaser request for information and documents; Email to Michele G. (Global Fuel) re payment; Call with Glen S. (Tim Horton's franchisee Airport Rd.) re status of sales process and Court hearing; Instructions to D. Cherniak re banking matters; Update case website;	2.70	\$495.00	\$1,336.50
2023-07-10	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Jul 31, 2023

Invoice No: 6535

Billing Through: Jul 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-07-11	TMCELROY	Emails to/from 35 Cherrycrest property purchaser; Discuss various operational issues with Wisam B.; Instructions to D. Cherniak re banking matters;	0.60	\$495.00	\$297.00
2023-07-11	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-12	TMCELROY	Review of estate trust banking report; Email to Michele G. (Global fuel) re payment; Review of insurance policy; Approve disbursement; Emails (2) to insurance broker;	0.80	\$495.00	\$396.00
2023-07-12	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-13	TMCELROY	Travel to/from 35 Cherrycrest, Brampton for on site meeting with representatives of the Purchaser, Wisam B. and Sinan to discuss various matters and tour property; Discussions with Sam and Wisam re various operational matters; Review and approve disbursement; Instructions to D. Cherniak re banking matters; Review of estate trust banking; Instructions to D. Cherniak re same; Review of draft version of factum and comments to counsel re same;	6.60	\$495.00	\$3,267.00
2023-07-13	SWARNER	research transactions and responded to James Formusa re bookkeeping	0.60	\$395.00	\$237.00
2023-07-13	JALBERT	on-line monitoring	0.20	\$630.00	\$126.00
2023-07-13	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-14	TMCELROY	Review of estate trust banking report; Email to Michele G. (Global Fuel) re payment; Detailed review of insurance policies for both properties with R. Chan (insurance broker) are review of 'statement of values' form with broker;	0.90	\$495.00	\$445.50
2023-07-14	SWARNER	reviewed and actioned mail through Canada Post	0.40	\$395.00	\$158.00
2023-07-14	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-17	TMCELROY	Email to R. Chan (insurance broker); Update case website; Approve disbursement re labour;	0.50	\$495.00	\$247.50
2023-07-17	JALBERT	on-line monitoring; review of final Factum; other monitoring matters; attend at Scotiabank branch to wire rental income to Ascend	1.20	\$630.00	\$756.00
2023-07-17	SWARNER	Reviewed and process Alectra bill for payment ; reviewed daily sales report and save for accounting submission	0.40	\$395.00	\$158.00
2023-07-17	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-18	TMCELROY	Instructions to D. Cherniak re banking matters; Review of estate trust bank accounting;	0.30	\$495.00	\$148.50
2023-07-18	JALBERT	review HST assessment rec'd for 2244039. Confirm it is \$15,000 less than estimated in report to Court; advise counsel of same. On-line monitoring	0.30	\$630.00	\$189.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Jul 31, 2023

Invoice No: 6535

Billing Through: Jul 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-07-18	SWARNER	reviewed and actioned mail through Canada Post	0.20	\$395.00	\$79.00
2023-07-18	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-19	TMCELROY	Prep for Court hearing; Attend court hearing; Debrief discussion with J. Albert re next steps; Discuss status of work orders for car wash with J. Albert; Review and respond to correspondence from Michele G. (Global Fuel) re payment; Call with P. Gupta (KFC tenant) re sale and payment of rent; Conference call with J. Larry, Dan S., Cassidy and J. Albert re next steps re closing of both properties; Email to Purchaser;	2.90	\$495.00	\$1,435.50
2023-07-19	JALBERT	TC T McElroy and preparation for today's court hearing for approval and vesting order; attend hearing; consider issue of fee allocation amongst 2 debtors and calculate and consider pro-rata approach; update from counsel on freedom of information request for further details on car-wash orders. Zoom meeting with counsel on closing and status of enquiring into work orders on gas station. Follow up with external accountant re: the same.	1.70	\$630.00	\$1,071.00
2023-07-19	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-20	TMCELROY	Update case website; Review of Judge's Endorsement; Email to realtor re status of closing; Emails to/from counsel re closing; Instructions to D. Cherniak re banking matters; Call with Wisam re various operational matters; Review of amendment to sale agreement (35 Cherrycrest);	2.30	\$495.00	\$1,138.50
2023-07-20	JALBERT	Email exchanges on closing; review and sign amendment to closing date for Cherrycrest agreement	0.50	\$630.00	\$315.00
2023-07-20	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-21	JALBERT	email exchanges on closing matters; review and approve commission invoices and confirm cooperating broker for Airport Rd entitling 3% vs 2% commission. On-line monitoring; TC counsel on closing matters for statement of adjustments; EM to counsel to contact counsel for TDL at Airport re: proportionate share of realty taxes owing for 2022-2023 as also needed in relation to closing. Review leases and lease commencement dates to calculate rental adjustments for statement of adjustments on closing for TDL and Shell; Email to accountant for 1526400 to determine if they were accountant for 2244039 in 2013 and/or 2014 and may have any information on the work orders/permits outstanding.	4.70	\$630.00	\$2,961.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Jul 31, 2023

Invoice No: 6535

Billing Through: Jul 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-07-21	TMCELROY	Review ofushman and wakefield commission statements and compare to listing agreement; Emails to/from counsel; Review of daily sales report;	0.50	\$495.00	\$247.50
2023-07-21	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-22	JALBERT	work on closing matters for sales	0.40	\$630.00	\$252.00
2023-07-24	JALBERT	TC OLG re: transfer of license to purchaser; on-line monitoring; Conference call purchaser rep and operator to review transition matters and agree who will address each; sign listing cancellation; review draft statement of adjustments	1.30	\$630.00	\$819.00
2023-07-24	TMCELROY	Review of statement of adjustment and other closing documents re Airport Rd. property; Instructions to D. Cherniak re banking matters; Review of estate trust banking; Review notes re contacting OLG to notify re change of ownership; Discussions with OLG re pre change of ownership;	1.60	\$495.00	\$792.00
2023-07-24	SWARNER	Reviewed and action mail through Canada Post	0.50	\$395.00	\$197.50
2023-07-24	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-25	JALBERT	review statement of adjustments for 152 and advise of corrections and discuss with counsel; respond to enquiries of purchaser of Airport on additional rent, service contracts	0.80	\$630.00	\$504.00
2023-07-25	TMCELROY	Review of daily sales report; Review estate trust bank account; Instructions to D. Cherniak re banking matters;	0.30	\$495.00	\$148.50
2023-07-25	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-26	TMCELROY	Email to Michele G (Global Fuel) re payment; Review and approve June 2023 bank reconciliations for both estate trust account;	0.30	\$495.00	\$148.50
2023-07-26	JALBERT	on-line monitoring; reach out to Marna Construction re: city of Brampton work permit issues; email exchanges on closing issues/draft documents for 1526400 sale; review of records provided by City on Receiver's access request	1.20	\$630.00	\$756.00
2023-07-26	SWARNER	combined and upload documents to bookkeeper	0.50	\$395.00	\$197.50
2023-07-26	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-27	TMCELROY	Email to Amir (broker) re purchase request for contact information; Review of daily sales report; Correspondence from counsel; Instructions to D. Cherniak re banking matters; Review of estate trust bank account;	0.60	\$495.00	\$297.00

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

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Jul 31, 2023

Invoice No: 6535

Billing Through: Jul 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-07-27	JALBERT	on-line monitoring; collate and provide purchaser of Cherrycrest transition records and documents as discussed earlier this week in advance of closing	1.50	\$630.00	\$945.00
2023-07-27	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-28	SWARNER	file review and confirmation of licenses; reviewed and uploaded daily sales report	0.60	\$395.00	\$237.00
2023-07-28	JALBERT	TC Marna Construction and documents to be provided re: construction of car wash for purchaser; review closing documents for 1526400 and execute via DocuSign; email exchanges with purchasers on various matters	1.20	\$630.00	\$756.00
2023-07-28	TMCELROY	Email to Michele G. (Global Fuel) re payment; Numerous correspondence from counsel re closing of Airport rd. property; Review of estate trust banking; Review of daily sales report; Email to counsel re banking information; Instructions to D. Cherniak re receipt of funds from purchaser;	0.80	\$495.00	\$396.00
2023-07-28	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-07-31	JALBERT	Email exchanges on closing of sale of 1526400. Confirmation of funds and sign Receiver's Certificate on DocuSign; post closing matters and discussion with T McElroy.	0.80	\$630.00	\$504.00
2023-07-31	TMCELROY	Numerous correspondence from counsel re closing of Airport Rd. property; Discussion with J. Albert re same; Review of estate trust banking report; Email to Michele G. (Global Fuel) re payment; Instructions to D. Cherniak re banking matters; Email to J. Gill (secured creditor); Call with Jas G. re Airport Rd. closing; Emails to/from counsel re closing;	2.10	\$495.00	\$1,039.50
2023-07-31	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
Total Fees:					\$40,896.50
HST/GST:					\$5,316.55

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

2244039 Ontario Inc. and 1526400 Ontario Inc.
 c/o Albert Gelman Inc.
 ON

Invoice

Invoice Date: Jul 31, 2023
Invoice No: 6535
Billing Through: Jul 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Daphna Cherniak (Estate Administrator)	4.60	\$220.00	\$1,012.00
Joe E. Albert (Principal, CIRP, CPA, DIFA, LIT)	23.00	\$630.00	\$14,490.00
Neeta Patel (CPA, CGA)	11.00	\$350.00	\$3,850.00
Suzette Warner (CFE, CPA, CGA, FCCA)	7.80	\$395.00	\$3,081.00
Tom McElroy (CPA, CA, CBV, CIRP, LIT)	37.30	\$495.00	\$18,463.50

Disbursements:

PHOTOCOPIES:
 POSTAGE:

Total Disbursements: _____

HST/GST: _____

Amount Due This Invoice: \$46,224.69

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$40,906.78
TOTAL HST/GST:	\$5,317.91
TOTAL AMOUNT DUE:	\$46,224.69

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

HST No. 83741 9514 RT 0001

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023

Invoice No: 6559

Billing Through: Aug 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-08-01	TMCELROY	Instructions to I. Chen re banking matters; Prepare journal entry to record receipt of purchase price re Airport Rd. and disbursements; Call with Sam re various operational matters; Review of daily sales report; Instructions to D. Cherniak re banking matters;	1.50	\$495.00	\$742.50
2023-08-01	SWARNER	Reviewed and save daily sales report ; email with J Formusa re accounting	0.30	\$395.00	\$118.50
2023-08-01	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-01	JALBERT	Instruct Daphna on accounting for sale proceeds and interim payments/distributions; email exchanges on Cherrycrest sale and closing	0.80	\$630.00	\$504.00
2023-08-02	TMCELROY	Email to insurance broker re cancel airport rd. property; Discuss purchaser of 35 Cherrycrest request to extend deadline with J. Albert and response re same; Instructions to D. Cherniak re banking matters; Review of counsel's accounts; Approve disbursement;	1.00	\$495.00	\$495.00
2023-08-02	JALBERT	Email exchanges on closing matters; discuss with T McElroy; on line monitoring	0.50	\$630.00	\$315.00
2023-08-02	SWARNER	setup and attended online signup of NOI documents	0.60	\$395.00	\$237.00
2023-08-02	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-03	TMCELROY	Reconcile taxed legal accounts to GL; Email to counsel re same; Instructions to D. Cherniak re banking matters; Approve disbursement; Review and sign insurance cancellation form; Email to R. Chan (insurance broker); Review of closing book re airport rd. property;	2.80	\$495.00	\$1,386.00
2023-08-03	JALBERT	Email exchange on closing matters	0.30	\$630.00	\$189.00
2023-08-03	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-04	TMCELROY	Review of estate trust banking; Email to Michele G. (Global Fuel) re payment; Review of daily sales report; Instructions to D. Cherniak re banking matters;	0.70	\$495.00	\$346.50
2023-08-04	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-07	JALBERT	analysis of funds available for distribution for 1526400 and priority payments to be made; send to T McElroy for 2nd review	1.50	\$630.00	\$945.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023
Invoice No: 6559
Billing Through: Aug 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Date	Client	Description	Hours	Rate	Amount
2023-08-08	TMCELROY	Review of interim SRD prepared by J. Albert; Analysis to determine quantum of distribution to secured creditor; Emails to/from secured creditor representative; Requisition cheque to pay CRA priority payable; Resign 152Co. insurance policy cancellation form; Review and approve management invoice; Email to Michel G. (Global Fuel) re payment; Review of daily sales report; Review of secured creditor payout statement;	4.50	\$495.00	\$2,227.50
2023-08-08	SWARNER	reviewed daily sales reports; collated all relevant reports for July 2023 and uploaded to portal for accountant ; received and responded to email from J&K Petroleum regarding payment; responded to email from former accountant regarding year end adjustments and email to James Formusa accordingly	1.50	\$395.00	\$592.50
2023-08-08	JALBERT	receipt and consider emails from debtor and request for certain documents, including 3 months of historical security videos.	0.20	\$630.00	\$126.00
2023-08-08	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-09	JALBERT	on-line monitoring; attend Scotiabank to clear all rental income monies from 1526400 bank account to Receiver's Trust; Discuss debtor email enquiry with Tom; transition matters.	1.30	\$630.00	\$819.00
2023-08-09	TMCELROY	Discuss email received from Sundip Tiawana re historical video footage of 35 Cherrycrest and response re same; Review Trust bank account and GL accounting; Email to Michele G. (Global Fuel) re payment; Review of letter re TSSA license and discuss same with S. Warner; Comments to J. Albert re same; Instructions to D. Cherniak re banking matters; Review and sign OLG license transfer extension; Review and sign insurance statement of values re insurance policy renewal for 35 Cherrycrest Drive property;	1.90	\$495.00	\$940.50
2023-08-09	SWARNER	Reviewed and action mail through Canada Post ; call to TSSA re renewal of license; research into payment to the Region of Peel and instructions to D Cherniak re payment m; reviewed email from J Albert re transfer of funds from 224Cherry to 152Chery and instructions to D Cherniak accordingly	1.10	\$395.00	\$434.50
2023-08-09	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-10	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00

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

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023

Invoice No: 6559

Billing Through: Aug 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-08-10	SWARNER	Email from James Formusa to regarding missing lottery statements ; Call with Wisam to review and research lottery statement ; collate an uploaded accounting records to accountant portal	1.20	\$395.00	\$474.00
2023-08-11	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-11	JALBERT	on-line monitoring; rent roll details for closing adjustments; email to Bell Tower for statement of payments and confirmation of annual rent paid for 2023 etc for closing adjustments	1.80	\$630.00	\$1,134.00
2023-08-11	TMCELROY	Review of estate trust banking; Review and respond to correspondence from Insurance broker; Comments to J. Albert re rental arrangement for two food trucks; Review of daily sales report;	0.60	\$495.00	\$297.00
2023-08-14	TMCELROY	Travel to/from 35 Cherrycrest, Brampton for meeting with Sam to discuss various operational issues and to take pictures of the premises; Review estate trust bank account; Email to Michele G. (Global fuel) re payment; Instructions to D. Cherniak re banking matters; Review and respond to correspondence from secured creditor re interim distribution; Approve and prepare interim distribution to secured creditor;	5.10	\$495.00	\$2,524.50
2023-08-14	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-14	SWARNER	Reviewed bill/statement from Region of Peel and note payment required on next bill	0.20	\$395.00	\$79.00
2023-08-15	TMCELROY	Discussions with D. Cherniak re banking matters re interim distribution to secured creditor; Discussions with J. Albert re various pre-closing matters re 35 Cherrycrest property; Instructions to D. Cherniak re banking matters; Review of daily sales report; Call with Wisam B. re termination of operating agreement; Email to Wisam re same;	1.20	\$495.00	\$594.00
2023-08-15	JALBERT	Teams call Tom McElroy to discuss closing issues; send closing checklist to Suzette and Tom for Teams meeting tomorrow	0.30	\$630.00	\$189.00
2023-08-15	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-16	JALBERT	TC Jas Gill on interim distribution and sign; closing matters; on line monitoring; teams meeting T. McElroy and S Warner on closing matters and prep for next week's closing of sale; interim distribution to secured creditor	1.20	\$630.00	\$756.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023

Invoice No: 6559

Billing Through: Aug 31, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Date	Client	Description	Hours	Rate	Total
2023-08-16	TMCELROY	Instructions to D. Cherniak re banking matter; Several calls with Jas and Bota re interim distribution; Draft letter to secured creditor legal counsel; Meeting with J. Albert and S. Warner re reviewed pre-closing checklist and discuss next steps re sale of 35 Cherrycrest property; Review of bookkeeping prepared by external accountant, including income statement and balance sheet;	2.90	\$495.00	\$1,435.50
2023-08-16	SWARNER	Pre-closure teams meeting with T McElroy and J Albert	1.00	\$395.00	\$395.00
2023-08-16	BGELMAN	Manage and approval of distribution to secured creditor of \$5 million;	1.00	\$565.00	\$565.00
2023-08-16	DCHERNIAK	Bank account reconciliation; preparing payout cheque;	2.20	\$220.00	\$484.00
2023-08-17	TMCELROY	Review request letter from purchaser of 35 Cherrycrest property; Review of estate trust banking; Email to counsel for purchaser of Airport rd. property; Approve property tax disbursement; Review of daily sales report; Instructions to D. Cherniak re banking matters; Email to Michele G. (global fuel) re payment; Discussions with D. Cherniak re issuance of payment to secured creditor; Conference call with counsel re purchaser request for price adjustment;	1.80	\$495.00	\$891.00
2023-08-17	BGELMAN	Call with Joe Albert re distribution to secured creditor and closing of second sale; Calls with funds Manager Daphna Cherniak re payment details; sign wire form for Versa to TD account;	0.50	\$565.00	\$282.50
2023-08-17	DCHERNIAK	Bank account reconciliation; calls back and forth regarding wire or cheque;	3.20	\$220.00	\$704.00
2023-08-17	JALBERT	closing matters; complete August rent roll for closing adjustment and send to counsel with memo of explanation. Teams call with counsel on price adjustment requested by purchaser;	3.00	\$630.00	\$1,890.00
2023-08-17	SWARNER	reviewed and action mail through Canada Post ; reviewed daily sale report and catalog for bookkeeper	0.50	\$395.00	\$197.50
2023-08-18	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-18	SWARNER	Received considered and responded to email from Pamela Angad re property tax ; detailed review of GL and sales transaction; make necessary adjustments to reflect full proceeds and bank changes ; adjustment regarding third party banking re charges deducted by TD Bank	0.60	\$395.00	\$237.00
2023-08-18	JALBERT	review draft statement of adjustments for cherrycrest sale and advise of missing tax arrears for 2022	0.40	\$630.00	\$252.00

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

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023
Invoice No: 6559
Billing Through: Aug 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-08-19	TMCELROY	Review and approve July 2023 bank reconciliation;	0.20	\$495.00	\$99.00
2023-08-20	TMCELROY	Email to Wisam re status of closing of sale of property;	0.10	\$495.00	\$49.50
2023-08-21	JALBERT	consider extension of closing as requested by purchaser, review and sign extension document; on-line monitoring. TC Buyer re: need to notify OLG in writing of change to closing date; review and sign notification to OLG	0.60	\$630.00	\$378.00
2023-08-21	BGELMAN	Approval of wire and call from Versa re same;	0.10	\$565.00	\$56.50
2023-08-21	TMCELROY	Review of estate trust banking; Email to Michele G. (Global Fuel) re payment; Review and sign OLG transition letter;	0.40	\$495.00	\$198.00
2023-08-22	JALBERT	TC Secured creditor and update on purchaser's request to extend closing to Aug 30. discuss requirement for purchaser to put up more deposit if any further extension sought. Security position/coverage analysis to estimate surplus available following closing of Cherrycrest and payment of priority charges, etc.	1.20	\$630.00	\$756.00
2023-08-22	SWARNER	Call from CRA re file status and deemed trust payment;	0.20	\$395.00	\$79.00
2023-08-22	TMCELROY	Review of daily sales report; Instructions to D. Cherniak re banking matters; Review of estate trust banking;	0.30	\$495.00	\$148.50
2023-08-23	SWARNER	reviewed bill for J&K Petroleum and instructions to D Cherniak re payment ; reviewed Enbridge bill and requisition payment	0.40	\$395.00	\$158.00
2023-08-23	TMCELROY	Review of estate trust banking; Email to Michele G. (Global Fuel) re payment; Review and respond to correspondence from insurance broker;	0.30	\$495.00	\$148.50
2023-08-24	JALBERT	Teams call selling agent to update on closing and reasons for extensions and other matters; TC secured creditor on closing matters and extension for closing; on line monitoring; review draft closing documents; enquire with counsel if release needed from Global fuel to 2244039 and Receiver from Fuel Supply contract.	1.50	\$630.00	\$945.00
2023-08-24	TMCELROY	Review of estate trust banking report; Review of daily sales report; Instructions to D. Cherniak re banking matters; Emails (2) to J. Gill;	0.50	\$495.00	\$247.50
2023-08-26	TMCELROY	Review of status of payment of arrears municipal taxes for Airport Rd.; Email to purchaser counsel re same; Instructions to D. Cherniak re banking matters;	0.30	\$495.00	\$148.50
2023-08-27	TMCELROY	Review and approval of operator payroll invoice;	0.20	\$495.00	\$99.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023
Invoice No: 6559
Billing Through: Aug 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-08-28	JALBERT	Email exchanges on closing issues and email to our counsel on interpretation of inventory and APA based on purchaser's request for an inventory count; on line monitoring; email to purchaser on inventory count and proposed valuation for closing. Email purchaser on coordination of terminating employees and trucks on premises and advise re: intention to be at premises for closing Aug 30	1.00	\$630.00	\$630.00
2023-08-28	TMCELROY	Review of voluminous correspondence between counsel and purchaser counsel re closing of 35 Cherrycrest property; Discuss pre-closing matters with J. Albert; Review closing documents counsel; Review daily sales report; Instructions to D. Cherniak re banking matters; Review of estate trust banking report; Email to Michele G. (Global Fuel) re payment; Call with Wisam and Sam re prep for closing;	3.40	\$495.00	\$1,683.00
2023-08-29	TMCELROY	Review and consider matters to be addressed prior to closing and discuss same with J. Albert; Discuss various closing matters with Wisam B.; Review of correspondence as between counsel re closing matters; Numerous calls with counsel re various closing matters; Instructions to D. Cherniak re banking matters; Review of daily sales report; Review of closing documents prepared by counsel; Emails to/from Taco Bell owner re closing matters;	4.90	\$495.00	\$2,425.50
2023-08-29	JALBERT	Teams calls T McElroy and counsel on closing matters, including purchaser's request for adjustment based of deficiencies of car wash and final agreement for waiver of that with Receiver's waiver of additional charge for inventories; review and sign closing documents	1.80	\$630.00	\$1,134.00
2023-08-29	SWARNER	Reviewed and action mail through Canada Post	0.50	\$395.00	\$197.50
2023-08-30	JALBERT	on line monitoring and TC Tom on closing matters	0.30	\$630.00	\$189.00
2023-08-30	JALBERT	email exchanges on closing and TC's with T. McElroy on same	1.00	\$630.00	\$630.00
2023-08-30	TMCELROY	Travel to/from 35 Cherrycrest location for meeting with Sam/Wisam and meeting with purchaser to assist with sale closing matters; Numerous calls with counsel re closing matters; Calls with J. Albert re closing matters; Instructions to D. Cherniak re banking matters; Call with purchaser re closing matters; Call with secured creditor rep re status of closing; Several calls with OLG rep re status of closing;	6.50	\$495.00	\$3,217.50

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023
Invoice No: 6559
Billing Through: Aug 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Date	Staff	Description	Hours	Rate	Amount
2023-08-31	TMCELROY	Several calls with OLG rep re status of closing; Discussions with Sam and Wisam re various closing matters; Discuss various closing matters with counsel; Emails to Michele G. (Global Fuel) re payment and return of excess funds an deposit to Receiver; Discuss accounting procedures and filing of HST returns with S. Warner; Discuss various closing matter with J. Albert; Review of estate trust banking report; Discuss next steps re Scotia Bank accounts with J. Albert;	2.80	\$495.00	\$1,386.00
2023-08-31	JALBERT	Email exchanges on closing; update estimate of funds available for distribution and holdback for further review by T. McElroy	1.20	\$630.00	\$756.00
2023-08-31	SWARNER	Reviewed insurance bill and requisition payment	0.20	\$395.00	\$79.00
Total Fees:					\$40,122.00
HST/GST:					\$5,215.86

Summary by Staff:

Staff	Hours	Rate	Amount
Bryan A. Gelman (Principal, CIRP LIT)	1.60	\$565.00	\$904.00
Daphna Cherniak (Estate Administrator)	7.60	\$220.00	\$1,672.00
Joe E. Albert (Principal, CIRP, CPA, DIFA. LIT)	19.90	\$630.00	\$12,537.00
Suzette Warner (CFE, CPA, CGA, FCCA)	8.30	\$395.00	\$3,278.50
Tom McElroy (CPA, CA, CBV, CIRP, LIT)	43.90	\$495.00	\$21,730.50

Disbursements:

TRAVEL:

Total Disbursements: _____
HST/GST: _____
Amount Due This Invoice: **\$45,348.20**

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$40,131.15
TOTAL HST/GST:	\$5,217.05
TOTAL AMOUNT DUE:	\$45,348.20

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

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Aug 31, 2023
Invoice No: 6559
Billing Through: Aug 31, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Sep 30, 2023
Invoice No: 6642
Billing Through: Sep 30, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-08-21	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-22	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-23	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-24	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-25	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-28	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-29	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-30	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-08-31	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-09-01	TMCELROY	Discuss various post-closing matters with Wisam and Sam; Instructions to D. Cherniak re banking matters; Review and respond to email from secured creditor; Prepare and post journal entry in banking records to record sale of 35 Cherrycrest; Instructions to D. Cherniak re banking matters;	1.60	\$495.00	\$792.00
2023-09-01	JALBERT	on-line monitoring and advise operator and T McElroy of final payment to Coremark from BNS account on Aug 31; attend at branch to transfer monies from BNS to Receiver's Trust account	1.40	\$630.00	\$882.00
2023-09-01	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-09-02	TMCELROY	Review of final sales report; Instructions to D. Cherniak re banking matters; Review of estate trust banking report; Review and amend summary of final expenses and distribution to secured creditor prepared by J. Albert; Consider other post-closing matters;	2.40	\$495.00	\$1,188.00
2023-09-03	TMCELROY	Begin preparing Receiver's Final statement of receipts and disbursements; Email to external accountant re estimate corp. tax on sale of both properties; Review and consider response from external accountant;	2.10	\$495.00	\$1,039.50
2023-09-05	JALBERT	review and provide information and answers to questions for accountant to estimate taxes payable on sale of both stations; review accountant's calculation of tax liability on sale of 152; assess result is insolvency of 152 and consider need for authority from court to file company into bankruptcy to trigger deemed year end and trigger the tax liability from the sale on the deemed year end; discuss same with T McElroy; on-line monitoring; download July and Aug bank statements for both corps;	1.20	\$630.00	\$756.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Sep 30, 2023
Invoice No: 6642
Billing Through: Sep 30, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-09-05	TMCELROY	Detailed review of external accountant calculation of tax on sale of Airport rd. property; Approve disbursement; Review summary re balance available to distribute to secured creditors with J. Albert; Discuss next steps re distribution to secured creditor and other matters with J. Albert; Email to counsel re insolvency of both companies and next steps re same; Call with Jas re distribution to secured creditor; Draft email to Jas re same and requirement to provide Receiver with indemnity; Review and approve management invoice;	2.90	\$495.00	\$1,435.50
2023-09-05	SWARNER	collated and uploaded account to online portal	0.80	\$395.00	\$316.00
2023-09-05	Mshafique	Prepared HST Business number close request form and faxed to CRA Insolvency department;	0.50	\$350.00	\$175.00
2023-09-05	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-09-06	JALBERT	Email to Jas on estimated tax liability from sale of properties, request for indemnity or otherwise hold back of funds pending Receiver's discharge and bankruptcy filings; attend at Scotiabank to wire the TDL rent received for Sept; discuss with Tom issue of tax liability, insolvency and application for approval to bankrupt both companies; Teams Meeting T McElroy and S Warner to review outstanding checklist of items for wrap up from sale of assets and next steps;	1.80	\$630.00	\$1,134.00
2023-09-06	BGELMAN	Review and approval of past 85 cheques and 141 wire transfers including calls from Versabank for verbal wire confirmation re 224CHERRY (18.4), plus 13 cheques on Airport file (13*.05);	19.10	\$565.00	\$10,791.50
2023-09-06	Mshafique	Continued working on letters and sent to SW for review; mailed final billing request letter to all the utility companies;	0.70	\$350.00	\$245.00
2023-09-06	TMCELROY	Review of insurance endorsement; Call with counsel re motion to assign both companies into bankruptcy; Discuss motion to court for approval of bankruptcy assignment, distribution to secured creditor and other matters with J. Albert; Email to secured creditor re distribution; Review and respond to email from A. Armstrong (Global fuel) re refund of security deposit; File status meeting and delegation of duties with S. Warner and J. Albert (review checklist); Approve disbursement; Review of estate trust bank account; Approve disbursement;	3.20	\$495.00	\$1,584.00
2023-09-06	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Sep 30, 2023

Invoice No: 6642

Billing Through: Sep 30, 2023

File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-09-06	SWARNER	File review; revision to letters to utility companies; meeting with J Alber & T McElroy for detailed file review and next steps ; reviewed payment report provided by Global Fuel	2.70	\$395.00	\$1,066.50
2023-09-07	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-09-07	SWARNER	reviewed email from Alectra and instructions to Mahmood accordingly; reviewed email from Enbridge gas and instructions to Mahmood accordingly ; reviewed cheque received from DG Vevan Insurance and instructions to I Chen accordingly	0.50	\$395.00	\$197.50
2023-09-07	Mshafique	Emailed back the utilities provider for updated bill;	0.20	\$350.00	\$70.00
2023-09-07	JALBERT	on-line monitoring; reconcile final autopayment to Coremark of \$14,000 correctly charged to Receiver and not account of purchaser.	0.30	\$630.00	\$189.00
2023-09-08	DCHERNIAK	Bank account reconciliation;	0.20	\$220.00	\$44.00
2023-09-08	TMCELROY	Call with and email to Jas Gill re distribution to secured creditor; Review and respond to correspondence from counsel re return of Sep 2023 TDL rent payment;	0.80	\$495.00	\$396.00
2023-09-08	JALBERT	on-line monitoring and other email exchanges.	0.30	\$630.00	\$189.00
2023-09-09	TMCELROY	Email to counsel re Court hearing to request approval to assign companies into bankruptcy;	0.10	\$495.00	\$49.50
2023-09-10	TMCELROY	Update schedule re calculate interim distribution to secured creditors; Comments to J. Albert re same; Email to Jas Gill re interim Distribution;	0.90	\$495.00	\$445.50
2023-09-11	BGELMAN	Review and approval of wire for \$10.1 million; discussion with Tom re same and review of documentation to support interim distribution;	0.20	\$565.00	\$113.00
2023-09-11	TMCELROY	Approve interim distribution to secured creditor; Discuss interim distribution with B. Gelman; Review and respond to correspondence from J. Gill; Correspondence with counsel re Court date; Approve distribution to purchaser of Airport Rd. re TDL payment to Receiver refund; Call with secured creditor re interim distribution;	1.40	\$495.00	\$693.00
2023-09-11	Mshafique	Communicated with TSSA and Alektra to get the final bill;	1.00	\$350.00	\$350.00
2023-09-11	JALBERT	review TM's security position and distribution analysis; advise of amendments and approve interim distribution of approx. \$10MM	0.40	\$630.00	\$252.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Sep 30, 2023
Invoice No: 6642
Billing Through: Sep 30, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

2023-09-12	SWARNER	Reviewed and collated accounting records and upload to accountant portal; responded to accountant enquiries regarding lotto statements and global fuel statements ; reviewed and commented on letter to TSSA re cancellation of license	1.50	\$395.00	\$592.50
2023-09-12	JALBERT	Email exchanges on distribution; sign distribution and other cheques	0.30	\$630.00	\$189.00
2023-09-12	TMCELROY	Coordinate issuance of cheque to pay secured creditor; Approve disbursement; Email to Wisam re post-sale disbursement; Email to counsel re same;	0.60	\$495.00	\$297.00
2023-09-13	JALBERT	on-line monitoring; advise T McElroy to look into post closing auto disbursements to Pepsi and Vomar. Email from debtor on return of bank accounts and have lawyer respond on matter	0.30	\$630.00	\$189.00
2023-09-13	BGELMAN	Approve cheque;	0.10	\$565.00	\$56.50
2023-09-13	TMCELROY	Review and respond to Raj G. re refund of post-closing payment; Call with counsel re court hearing to put companies into bankruptcy next steps re same and other matters; Email to counsel re payment of notice received from City of Brampton re overdue taxes;	0.60	\$495.00	\$297.00
2023-09-13	Mshafique	Emailed TSSA cancellation department to cancel the TSSA License renewal; Followed up with Alectra to get the final billing and update them with the new owner;	0.50	\$350.00	\$175.00
2023-09-13	SWARNER	Reviewed and actioned mail though Canada Post; reviewed deemed trust requisition and claim and prepared letter to accompany cheque	0.90	\$395.00	\$355.50
2023-09-14	BGELMAN	Review and approval of trust claims from CRA for payroll deductions and HST; review and approval of cheques;	0.20	\$565.00	\$113.00
2023-09-14	SWARNER	Returned call and email to Alectra re accounts closure; reviewed bill from accountant and requisition payment	0.50	\$395.00	\$197.50
2023-09-15	JALBERT	on line monitoring	0.20	\$630.00	\$126.00
2023-09-15	SWARNER	Call from Alectra regarding final billing and confirm account closure	0.20	\$395.00	\$79.00
2023-09-15	TMCELROY	Email to insurance broker re cancel policy on 35 Cherrycrest property; Email to Michele G. (Global Fuel) re request sales summary for period in possession;	0.50	\$495.00	\$247.50
2023-09-16	TMCELROY	Review and sign insurance cancellation form re 35 Cherrycrest; Review and respond to correspondence from insurance broker;	0.50	\$495.00	\$247.50
2023-09-17	TMCELROY	Begin drafting Receivers Second Report to Court;	4.00	\$495.00	\$1,980.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Sep 30, 2023
Invoice No: 6642
Billing Through: Sep 30, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-09-19	JALBERT	approve & sign cheques; on-line monitoring ; advise BNS to freeze both bank accounts and advise of O/D in 224 due to insurance payment clearing	0.40	\$630.00	\$252.00
2023-09-19	SWARNER	Reviewed letter from Alectra regarding account closure and email to Alectra to confirm account transfer to correct landlord	0.20	\$395.00	\$79.00
2023-09-19	TMCELROY	Instructions to D. Cherniak re banking matters; Review estate trust bank account; Review Scotiabank bank account; Review of interims bank reconciliation for Sep 2023; Update internal summary of expected disbursements and pay out to secured creditors;	1.20	\$495.00	\$594.00
2023-09-20	TMCELROY	Videoconference with J. Ferosa (accountant) and S. Warner re preparation of T2 corp. tax returns and filing of HST returns and other matters; Email to property manager;	0.70	\$495.00	\$346.50
2023-09-20	SWARNER	Meeting with T McElroy and accountant to review accounting and next steps	1.00	\$395.00	\$395.00
2023-09-21	TMCELROY	Review of correspondence from both insurers of 35 Cherrycrest re cancellation of policies;	0.20	\$495.00	\$99.00
2023-09-22	TMCELROY	Continue drafting Receivers Second Report to Court; Review and respond to correspondence from counsel;	3.00	\$495.00	\$1,485.00
2023-09-25	TMCELROY	Finalize draft version of Second Report and send to J. Albert for review and comments; Email counsel re status of opinion re PPSA secured; Review and respond to correspondence from realtor; Discuss banking matter with D. Cherniak;	4.10	\$495.00	\$2,029.50
2023-09-26	SWARNER	Received email from accountant and pull relevant documents requested	0.30	\$395.00	\$118.50
2023-09-26	TMCELROY	Correspondence from insurance broker re status of policies and refund; Email to Michele G. (Global Fuel) re payment report required for accounting;	0.20	\$495.00	\$99.00
2023-09-27	TMCELROY	Prepare deposit requisition;	0.10	\$495.00	\$49.50
2023-09-27	SWARNER	Reviewed report from Global Fuel and email to James Formusa accordingly	0.20	\$395.00	\$79.00
2023-09-28	TMCELROY	Review of correspondence from Aviva re insurance policy; Review and respond to correspondence from insurance broker;	0.20	\$495.00	\$99.00
2023-09-28	SWARNER	Reviewed and actioned mail through Canada Post	0.30	\$395.00	\$118.50
2023-09-29	JALBERT	review records received of 152 to do the FS and tax return for 2022 and respond to accountant	0.30	\$630.00	\$189.00

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Sep 30, 2023
Invoice No: 6642
Billing Through: Sep 30, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-09-29	Mshafique	Called Enbridge and Peel Water to get the final bill;	1.20	\$350.00	\$420.00
2023-09-29	SWARNER	Reviewed bills from Region of Peel and Enbridge and instructions to Mahmood S re follow up with utility companies for final bill	0.30	\$395.00	\$118.50
Total Fees:					\$36,678.50
HST/GST:					\$4,768.21

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	19.60	\$565.00	\$11,074.00
Daphna Cherniak (Estate Administrator)	2.80	\$220.00	\$616.00
Joe E. Albert (Principal, CIRP, CPA, DIFA. LIT)	6.90	\$630.00	\$4,347.00
Mahmood Shafique (Associate)	4.10	\$350.00	\$1,435.00
Suzette Warner (CFE, CPA, CGA, FCCA)	9.40	\$395.00	\$3,713.00
Tom McElroy (CPA, CA, CBV, CIRP, LIT)	31.30	\$495.00	\$15,493.50

Disbursements:

PHOTOCOPIES:
POSTAGE:
TAXI:
TRAVEL:

Total Disbursements: _____
HST/GST: _____
Amount Due This Invoice: **\$41,493.01**

<u>Invoice Summary:</u>	
TOTAL FEES AND DISBURSEMENTS:	\$36,719.46
TOTAL HST/GST:	\$4,773.55
TOTAL AMOUNT DUE:	\$41,493.01

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

HST No. 83741 9514 RT 0001

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Oct 12, 2023
Invoice No: 6670
Billing Through: Oct 12, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-10-02	TMCELROY	Continue preparing Interim SRD; Discuss same with S. Warner;	2.90	\$495.00	\$1,435.50
2023-10-03	JALBERT	work on Receiver's 2nd report to Court.	0.50	\$630.00	\$315.00
2023-10-03	Mshafique	Called Enbridge to get the final bill.	0.40	\$350.00	\$140.00
2023-10-04	Mshafique	Answered call from Alektra, utilities;	0.10	\$350.00	\$35.00
2023-10-04	JALBERT	Work on report to court	2.00	\$630.00	\$1,260.00
2023-10-05	TMCELROY	Email to GFL; Email to Purchaser re GFL account; Review of J. Albert comments on Second Report to Court; Continue drafting Second Report to Court; Finalize interim SRDs for both companies; Review and respond to correspondence form accountant; Email to secured creditor re revised payout statements;	4.70	\$495.00	\$2,326.50
2023-10-05	JALBERT	work on report and send amendments to Tom	0.50	\$630.00	\$315.00
2023-10-06	JALBERT	provide receiver's accountant with bank statements for BNS & RBC as well as back up documentation obtained by Receiver for 2022 year to have financial statements and tax returns completed; work on insolvency analysis for report for both companies	2.20	\$630.00	\$1,386.00
2023-10-09	JALBERT	complete insolvency analysis for report and forward to t McElroy	0.50	\$630.00	\$315.00
2023-10-09	TMCELROY	Review of counsel comments on Second Report; Further amendments to second report; Review of J. Albert analysis for Second Report;	3.10	\$495.00	\$1,534.50
2023-10-11	TMCELROY	Review of solicitors accounts; Approve disbursement; Approve disbursement of deemed trust; Call with counsel re upcoming motions, second report and other matters;	0.80	\$495.00	\$396.00
2023-10-11	JALBERT	review and amendments to Receiver's draft 2nd report	0.40	\$630.00	\$252.00
2023-10-12	JALBERT	on-line monitoring and download 2023 bank statements through September, 2023.	0.40	\$630.00	\$252.00
2023-10-12	TMCELROY	Review of HST property claim; Approve payment of Deemed Trust; Instructions to D. Cherniak re banking matters; Review of J. Albert comments on Second Report; Further amendments to Second Report; Finalize Interim SRDs and Receiver's affidavit; Assemble appendices;	5.60	\$495.00	\$2,772.00

Total Fees: \$12,734.50
HST/GST: \$1,655.49

2244039 Ontario Inc. and 1526400 Ontario Inc.
c/o Albert Gelman Inc.

Invoice

Invoice Date: Oct 12, 2023
Invoice No: 6670
Billing Through: Oct 12, 2023
File ID: 224CHERRYCREST-R:

Re: 2244039 Ontario Inc. and 1526400 Ontario Inc.

Summary by Staff:

Joe E. Albert (Principal, CIRP, CPA, DIFA, LIT)
 Mahmood Shafique (Associate)
 Tom McElroy (CPA, CA, CBV, CIRP, LIT)

<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
6.50	\$630.00	\$4,095.00
0.50	\$350.00	\$175.00
17.10	\$495.00	\$8,464.50

Amount Due This Invoice: \$14,389.99

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$12,734.50
TOTAL HST/GST:	\$1,655.49
TOTAL AMOUNT DUE:	\$14,389.99

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

TAB M

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

B E T W E E N:

**2046245 ONTARIO INC., 2222228 ONTARIO INC., 2473560 ONTARIO INC. and
2473441 ONTARIO INC.**

Applicants

- and -

2244039 ONTARIO INC. and 1526400 ONTARIO INC.

Respondents

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

**AFFIDAVIT OF BEATRICE LOSCHIAVO
(Sworn October 12, 2023)**

I, Beatrice Loschiavo, of the Town of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY:**

1. I am an assistant at the law firm of Paliare Roland Rosenberg Rothstein LLP (“**Paliare Roland**”). I have personal knowledge of the matters to which I hereinafter refer.
2. Pursuant to the order of the Honourable Court dated December 1, 2022 (the “**Appointment Order**”), Albert Gelman Inc. was appointed as receiver (the “**Receiver**”) without security, of all the assets, undertakings and properties of the Respondents.
3. Paliare Roland has provided legal services to and incurred disbursements on behalf of the Receiver. The detailed invoices attached hereto and marked as **Exhibit “A”** are dockets (the “**Dockets**”) which set out Paliare Roland’s fees and disbursements

from July 1, 2023 to September 30, 2023. The Dockets describe the services provided and the amounts charged by Paliare Roland.

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

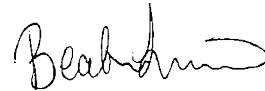
Professional	Hourly Rate	Hours Billed	Fees Billed
Jeff Larry, Partner, 2001 Call	\$845/hr	25.3	\$22,137.50
Subtotal		25.3	\$22,137.50

5. Inclusive of HST and disbursements, the total amount of the Dockets are **\$25,073.58**

SWORN remotely by Beatrice Loschiavo at)
the City of Toronto, in the Province of)
Ontario before me, on this 12th day of)
October 2023 in accordance with *O. Reg.*)
431/20, Administering Oath or Declaration)
Remotely)



A Commissioner for taking Affidavits
Dillon Gohil, a Commissioner, etc., Province
of Ontario, while a Student-at-Law.
Expires April 17, 2026



BEATRICE LOSCHIAVO



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
Bryan Gelman
Albert Gelman Inc.
100 Simcoe St.
Suite 125
Toronto, Ontario M5H 3G2

July 31, 2023
Invoice No.: 120544
Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending July 31, 2023:

OUR FEES	\$ 17,937.50
Non Taxable Disbursements	16.00
Total Disbursements subject to HST	37.34
Total HST	<u>2,336.73</u>

INVOICE TOTAL \$ 20,327.57

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per:

Jeffrey Larry



35th Floor
 155 Wellington St. West
 Toronto, Ontario M5V 3H1
 Canada

416.646.4300
 paliareroland.com

Private and Confidential
 Bryan Gelman
 Albert Gelman Inc.
 100 Simcoe St.
 Suite 125
 Toronto, Ontario M5H 3G2

July 31, 2023
 Invoice No.: 120544
 Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending July 31, 2023:

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
04/07/23	JL	Review and revise report; discussions re PPSA issues; consider issues re PPSA; prepare fee affidavit;	875.00	1.80	1,575.00
05/07/23	JL	Drafting Approval and Vesting Orders and order for ancillary relief; correspondence with T. McElroy; issues re motion date; call with counsel; PPSA issues;	875.00	3.60	3,150.00
06/07/23	JL	Revise motion materials and draft Orders; call with T. McElroy; prepare Notice of Motion;	875.00	4.10	3,587.50
07/07/23	JL	Final review of receiver's report and motion record; prepare record for filing; discussions re upcoming issues;	875.00	2.20	1,925.00
10/07/23	JL	Correspondence re Global Fuels issue; correspondence re service; call with client and counsel; issues re obtaining reports;	875.00	0.80	700.00

ERRORS AND OMISSIONS EXCLUDED TERMS: DUE UPON RECEIPT. AMOUNTS ARE STATED IN CANADIAN DOLLARS UNLESS OTHERWISE INDICATED. INTEREST AT THE RATE OF 4.8% PER ANNUM WILL BE CHARGED ON ALL AMOUNTS NOT PAID WITHIN ONE MONTH FROM THE DATE OF THIS INVOICE. HARMONIZED SALES TAX REGISTRATION NUMBER 88366 4518 RT 0001

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
13/07/23	JL	Drafting factum for sale approval motion; correspondence with clients; call with counsel; prepare for hearing issues; correspondence with Cassels re: ROFR and lease issues; review lease issue;	875.00	3.80	3,325.00
18/07/23	JL	Prepare for motion; revise Orders; call with counsel;	875.00	1.80	1,575.00
19/07/23	JL	Prepare for and attend on motion; call with Receiver; call with counsel to discuss closing issues;	875.00	1.80	1,575.00
20/07/23	JL	Consider and correspondence re certain closing issues;	875.00	0.20	175.00
21/07/23	JL	Various correspondence and discussions re closing matters;	875.00	0.40	350.00

TIME SUMMARY

MEMBER	HOURS	RATE	VALUE
Larry, Jeffrey (JL)	20.50	875.00	17,937.50
	<u>20.50</u>		

OUR FEES \$ 17,937.50
 HST at 13% 2,331.88

Non Taxable Disbursements:

Search Disbursement - Non-taxable 16.00

Taxable Disbursements:

Search Disbursement 37.34
 HST at 13% 4.85

INVOICE TOTAL \$ 20,327.57



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
Bryan Gelman
Albert Gelman Inc.
100 Simcoe St.
Suite 125
Toronto, Ontario M5H 3G2

July 31, 2023
Invoice No.: 120544
Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

**REMITTANCE COPY
PLEASE REMIT WITH PAYMENT**

OUR FEES	\$ 17,937.50
Non Taxable Disbursements	16.00
Total Disbursements subject to HST	37.34
Total HST	<u>2,336.73</u>
INVOICE TOTAL	<u><u>\$ 20,327.57</u></u>



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
Bryan Gelman
Albert Gelman Inc.
100 Simcoe St.
Suite 125
Toronto, Ontario M5H 3G2

August 31, 2023
Invoice No.: 121432
Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending August 31, 2023:

OUR FEES	\$ 2,012.50
Total HST	<u>261.63</u>
INVOICE TOTAL	<u><u>\$ 2,274.13</u></u>

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per:

Jeffrey Larry



35th Floor
 155 Wellington St. West
 Toronto, Ontario M5V 3H1
 Canada

416.646.4300
 paliareroland.com

Private and Confidential
 Bryan Gelman
 Albert Gelman Inc.
 100 Simcoe St.
 Suite 125
 Toronto, Ontario M5H 3G2

August 31, 2023
 Invoice No.: 121432
 Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending August 31, 2023:

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
31/07/23	JL	Various steps re closing; correspondence with counsel and receiver;	875.00	0.40	350.00
01/08/23	JL	Various issues re next step in sales process; PPSA review and consideration; issues re distribution;	875.00	0.40	350.00
08/08/23	JL	Issues re PPSA registrations; correspondence with counsel;	875.00	0.50	437.50
09/08/23	JL	Correspondence with Receiver;	875.00	0.20	175.00
11/08/23	JL	Review issues re PPSA registrations; correspondence with B. McNamara;	875.00	0.80	700.00

TIME SUMMARY

MEMBER	HOURS	RATE	VALUE
Larry, Jeffrey (JL)	2.30	875.00	2,012.50
	<u>2.30</u>		

OUR FEES \$ 2,012.50
 HST at 13% 261.63

INVOICE TOTAL \$ 2,274.13

ERRORS AND OMISSIONS EXCLUDED TERMS: DUE UPON RECEIPT. AMOUNTS ARE STATED IN CANADIAN DOLLARS UNLESS OTHERWISE INDICATED.
 INTEREST AT THE RATE OF 4.8% PER ANNUM WILL BE CHARGED ON ALL AMOUNTS NOT PAID WITHIN ONE MONTH FROM THE DATE OF THIS INVOICE.
 HARMONIZED SALES TAX REGISTRATION NUMBER 88366 4518 RT 0001



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
Bryan Gelman
Albert Gelman Inc.
100 Simcoe St.
Suite 125
Toronto, Ontario M5H 3G2

August 31, 2023
Invoice No.: 121432
Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

**REMITTANCE COPY
PLEASE REMIT WITH PAYMENT**

OUR FEES	\$ 2,012.50
Total HST	<u>261.63</u>
INVOICE TOTAL	<u><u>\$ 2,274.13</u></u>



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
Bryan Gelman
Albert Gelman Inc.
100 Simcoe St.
Suite 125
Toronto, Ontario M5H 3G2

September 30, 2023
Invoice No.: 121993
Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending September 30, 2023:

OUR FEES	\$ 2,187.50
Total HST	<u>284.38</u>
INVOICE TOTAL	<u><u>\$ 2,471.88</u></u>

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per:

Jeffrey Larry



35th Floor
 155 Wellington St. West
 Toronto, Ontario M5V 3H1
 Canada

416.646.4300
 paliareroland.com

Private and Confidential
 Bryan Gelman
 Albert Gelman Inc.
 100 Simcoe St.
 Suite 125
 Toronto, Ontario M5H 3G2

September 30, 2023
 Invoice No.: 121993
 Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending September 30, 2023:

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
06/09/23	JL	Consider next steps post-closing; call with T. McElroy re bankruptcy application;	875.00	0.90	787.50
11/09/23	JL	Discussion and issues re distribution; correspondence with Bota re: PPSA issues; call with P. Mand; call with T. McElroy;	875.00	1.20	1,050.00
13/09/23	JL	Organize court attendance; internal discussion and analysis;	875.00	0.40	350.00

TIME SUMMARY

MEMBER	HOURS	RATE	VALUE
Larry, Jeffrey (JL)	2.50	875.00	2,187.50
	<u>2.50</u>		

OUR FEES \$ 2,187.50
 HST at 13% 284.38

INVOICE TOTAL \$ 2,471.88

ERRORS AND OMISSIONS EXCLUDED TERMS: DUE UPON RECEIPT. AMOUNTS ARE STATED IN CANADIAN DOLLARS UNLESS OTHERWISE INDICATED.
 INTEREST AT THE RATE OF 4.8% PER ANNUM WILL BE CHARGED ON ALL AMOUNTS NOT PAID WITHIN ONE MONTH FROM THE DATE OF THIS INVOICE.
 HARMONIZED SALES TAX REGISTRATION NUMBER 88366 4518 RT 0001



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
Bryan Gelman
Albert Gelman Inc.
100 Simcoe St.
Suite 125
Toronto, Ontario M5H 3G2

September 30, 2023
Invoice No.: 121993
Our File No.: 36410-100656

RE: 2244039 Ontario Inc.

**REMITTANCE COPY
PLEASE REMIT WITH PAYMENT**

OUR FEES	\$ 2,187.50
Total HST	<u>284.38</u>
INVOICE TOTAL	<u><u>\$ 2,471.88</u></u>

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF BEATRICE LOSCHIAVO

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West
35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300
Fax: 416.646.4301

Jeffrey Larry (LSO# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Lawyers for the Receiver

TAB N

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

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

2046245 ONTARIO INC. et al.

Applicants

- and -

2244039 ONTARIO INC. et al.

Respondents

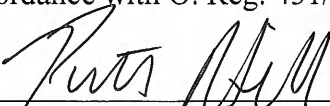
**AFFIDAVIT OF KASSIDY DOHERTY
(Sworn October 12, 2023)**

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

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario. I was previously an Associate at Wildeboer Dellelce LLP (“**WD**”), the previous lawyers for Albert Gelman Inc., the Court-appointed receiver (the “**Receiver**”) of the Respondents, and I am currently an Associate at DLA Piper (Canada) LLP (“**DLA**”), lawyers for the Receiver of the Respondents and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as **Exhibit “A”** are copies of the invoices issued to the Receiver by WD for fees and disbursements incurred by WD through the course of these proceedings between July 1, 2023 through to August 4, 2023.
3. Attached hereto as **Exhibit “B”** are copies of the invoices issued to the Receiver by DLA for fees and disbursements incurred by DLA through the course of these proceedings between August 8, 2023 through to October 12, 2023.
4. Attached hereto as **Exhibit “C”** is a schedule summarizing each invoice in Exhibit “A” and “B”, the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.
5. Attached hereto as **Exhibit “D”** is a schedule summarizing the respective years of call and billing rates of each of the solicitors at WD and DLA who acted for the Receiver.
6. To the best of my knowledge, the rates charged by WD and DLA throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.
7. The hourly billing rates outlined in **Exhibit “D”** to this affidavit are comparable to the hourly rates charged by WD and DLA for services rendered in relation to similar proceedings.
8. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver’s counsel.

SWORN BEFORE ME by KASSIDY DOHERTY from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 12th day of October, 2023, in accordance with O. Reg. 431/20.

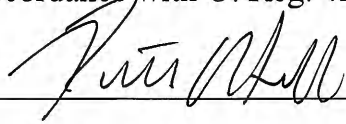


Commissioner for Taking Affidavits



KASSIDY DOHERTY

This is Exhibit "A" referred to in the Affidavit of KASSIDY DOHERTY sworn before me by KASSIDY DOHERTY from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 12th day of October, 2023, in accordance with O. Reg. 431/20.

A handwritten signature in black ink, appearing to read "Peter Hill", is written over a horizontal line.

A Commissioner for taking affidavits



**WILDEBOER
DELLELCE^{LLP}**

STATEMENT OF ACCOUNT

Albert Gelman Inc.
Attention: Joe Albert and Tom McElroy
60 Shaftesbury Ave.
Toronto, ON M4T 1A3

Invoice Date: August 25, 2023
Invoice No.: 8213
Matter No.: 2301180
HST No.: R134403013

Matter: Receivership of 2244039 Ontario Inc. and 1526400 Ontario Inc.

To professional services rendered through August 25, 2023 with respect to the above noted matter; and to all advice, consultations, correspondence and attendances necessary to the foregoing.

	Amount (CAD)
Professional Fees	12,134.50
Disbursements (Taxable)	190.54
Disbursements (Non-Taxable)	250.10
	<hr/> 440.64
Net Total	12,575.14
HST	1,602.26
Amount Payable	<hr/> \$14,177.40

THIS IS OUR ACCOUNT HEREIN

WILDEBOER DELLELCE LLP
Daniel Shapira
Partner

E. & O. E.

ACCOUNTS ARE DUE WHEN RENDERED. INTEREST WILL BE CHARGED ON ALL AMOUNTS DUE ONE MONTH AFTER THE DATE OF DELIVERY OF THIS ACCOUNT IN ACCORDANCE WITH THE SOLICITORS ACT.

Client: Albert Gelman Inc.
Matter: Receivership of 2244039 Ontario Inc. and
1526400 Ontario Inc.

Invoice Date: August 25, 2023
Invoice No.: 8213
Matter No.: 2301180

Professional Fees: Time Detail

<u>Date</u>	<u>Initials</u>	<u>Description</u>
2023-06-27	DHS	Email correspondence and internal discussions.
2023-06-28	DHS	Email correspondence and telephone conferences.
2023-07-04	KDO	External communications; review postponements; internal communications with D. Shapira.
2023-07-04	DHS	Internal discussions and email correspondence.
2023-07-05	DHS	Email correspondence and internal discussions.
2023-07-05	KDO	Internal communications with D. Shapira; external communications.
2023-07-06	KDO	Draft affidavit of fees; external communications; internal communications with R. Contestabile; arrange for return of bid deposit.
2023-07-06	DHS	Email correspondence and internal discussions.
2023-07-07	KDO	Confirm wire; external communications.
2023-07-08	KDO	External communications; internal communications with D. Shapira.
2023-07-08	DHS	Email correspondence.
2023-07-10	KDO	Internal communications with D. Shapira; external communications; call to City of Brampton for permit information; review data room.
2023-07-10	DHS	Email correspondence and internal discussions.
2023-07-11	KDO	External communications; prepare and submit freedom of information request;
2023-07-12	KDO	Create and populate closing folder; closing matters.
2023-07-13	KDO	External communications; internal communications with D. Shapira; review leases on 35 Cherrycrest Road.
2023-07-17	KDO	External communications.
2023-07-18	KDO	External communications; draft closing documents
2023-07-19	KDO	Attend motion; external communications; review asset agreements; draft amendment to asset purchase agreement; internal communications with D. Shapira.
2023-07-20	KDO	External communications; finalize amendment to asset purchase agreement; draft closing documents; draft cl
2023-07-21	KDO	Draft closing agenda; draft closing documents; external communications; internal communications with R. Contestabile.
2023-07-24	KDO	Draft statement of adjustments for 12016 Airport Rd; draft undertaking re tax arrears and undertaking to readjust; external communications.
2023-07-25	KDO	External communications; internal communications with L. Blair re tax arrears;
2023-07-25	LB	Internal discussions; review statement of adjustments and tax arrears matters.
2023-07-25	DHS	Email correspondence and internal discussions.
2023-07-26	KDO	External communications;
2023-07-27	KDO	External communications; draft application.
2023-07-28	KDO	External communications; draft re-direction re trust funds; closing matters.
2023-07-31	KDO	Closing matters; external communications; order tax certificate for 35 Cherrycrest Drive; prepare record book.
2023-07-31	DHS	Email correspondence and internal discussions.

Client: Albert Gelman Inc.
Matter: Receivership of 2244039 Ontario Inc. and
1526400 Ontario Inc.

Invoice Date: August 25, 2023
Invoice No.: 8213
Matter No.: 2301180

<u>Date</u>	<u>Initials</u>	<u>Description</u>
2023-08-01	KDO	Return of deposit for 12016 Airport Rd; external communications; review tax certificate for 35 Cherrycrest; draft closing documents for 35 Cherrycrest.
2023-08-02	KDO	Coordinate return of deposit for 12016 Airport Rd; external communications.
2023-08-04	KDO	External communications;

Disbursement Detail (Taxable)

<u>Date</u>	<u>Description</u>	<u>Amount</u>
2023-07-24	Off Title Searches - Tax Certificate	10.53
2023-07-31	Off Title Searches - Tax Certificate	61.95
	Courier and Delivery	38.56
	Printing and Photocopies	3.50
	Teraview Searches	6.00
	Transaction Management License Fee	70.00
Total		\$190.54

Disbursement Detail (Non-Taxable)

<u>Date</u>	<u>Description</u>	<u>Amount</u>
2023-07-11	Off Title Searches	5.00
2023-07-24	Off Title Searches - Tax Certificate	63.10
	Wire Fees	182.00
Total		\$250.10



Albert Gelman Inc.
 Attention: Joe Albert and Tom McElroy
 60 Shaftesbury Ave.
 Toronto, ON M4T 1A3

Invoice Date: August 25, 2023
 Invoice No.: 8213
 Matter No.: 2301180

REMITTANCE COPY

Receivership of 2244039 Ontario Inc. and 1526400 Ontario Inc.

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Balance Due</u>
<u>Current Invoice</u>		
2023-08-25	8213	\$14,177.40
Balance Due		\$14,177.40

For ease of payment, we accept cheques (payable to Wildeboer Dellelce LLP), credit cards, email transfers (email ar@wildlaw.ca), bill payments (under corporate creditor "Wildeboer Dellelce LLP") and wires/EFTs.

Wire Instructions: Account Name: *Wildeboer Dellelce LLP*
 Address: *Suite 800, 365 Bay Street, Toronto, ON M5H 2V1*
 Bank Name: *Royal Bank of Canada*
 Bank Address: *Main Branch Royal Bank Plaza, 200 Bay Street Toronto, ON M5J 2J5*
 Bank Number: *003; Transit Number: 00002; Account Number: 1346998 (CAD)*
 SWIFT: *ROYCCAT2 (International)*
 Intermediary bank (for USD; if applicable): *JP Morgan ABA Number: 021000021*

(Please Reference Invoice Number)

For payment inquiries or to make a payment by credit card, please email ar@wildlaw.ca.

This is Exhibit "B" referred to in the
Affidavit of KASSIDY DOHERTY sworn before me by
KASSIDY DOHERTY from the City of Toronto, in the
Province of Ontario, before me at the City of Toronto, in
the Province of Ontario, on this 12th day of October, 2023,
in accordance with O. Reg. 431/20.

A handwritten signature in black ink, appearing to read "John Mills", is written over a horizontal line.

A Commissioner for taking affidavits



DLA Piper (Canada) LLP
 Suite 6000, 1 First Canadian Place
 PO Box 367, 100 King St W
 Toronto ON M5X 1E2
 www.dlapiper.com
 T 416.365.3500
 F 416.365.7886

Albert Gelman Inc.
 Private and Confidential
 60 Shaftesbury Ave.
 Toronto, ON M4T 1A3 Canada

October 12, 2023

Attention: Joe Albert and Tom McElroy

INVOICE NUMBER: 2229861
 FILE NUMBER: 113074-00001
 BUSINESS NUMBER: REG # 110 152 824
 FROM THE OFFICE OF: Daniel Shapira
 DIRECT LINE: 416.862.3371

For Professional Services rendered and/or disbursements advanced through October 12, 2023.

Total Fees:	\$	17,650.00
Total Disbursements:	\$	83.53
Total HST:	\$	2,297.56
Total Current Invoice Due:	CAD \$	<u>20,031.09</u>

If you have any questions or concerns regarding the enclosed, please do not hesitate to contact me.

Yours truly,

DLA Piper (Canada) LLP

Per:

Daniel Shapira

Encls.

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

Remittance Advice:

Please be sure to indicate invoice number on all payments

Invoice No: 2229861

File No: 113074-00001

Amount: **CAD 20,031.09**

Cheque Payments To:
 DLA Piper (Canada) LLP
 1133 Melville St, Suite 2700
 Vancouver, BC
 V6E 4E5 Canada

Please return remittance advice with cheque.

Credit Card Payments:

<https://payments.dlapiper.ca>

Tel: 604.643.2955
 Toll free: 1.833.299.9022

Canadian Dollar EFT Payments To:
 DLA Piper (Canada) LLP

Bank: 010
 Transit: 00010
 Account Number: 2901315

Canadian Dollar Wire Payments To:

DLA Piper (Canada) LLP
 Beneficiary Acc#: 000102901315
 Bank: CANADIAN IMPERIAL BANK OF COMMERCE
 Canadian clearing code: //CC001000010
 Swift Code: CIBCCATT
 Bank Address: 400 Burrard Street
 Vancouver, BC V6C 3A6

US Dollar Wire Payments To:
 DLA Piper (Canada) LLP

Beneficiary Acc#: 000100368016
 Bank: CANADIAN IMPERIAL BANK OF COMMERCE
 Swift Code: CIBCCATT
 Bank Address: 400 Burrard Street
 Vancouver, BC V6C 3A6
 Intermediary Bank: Wells Fargo Bank, N.A.
 New York, NY, US
 Swift Code: PNBPU3NNYC
 ABA#: 026005092



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
www.dlapiper.com
T 416.365.3500
F 416.365.7886

Albert Gelman Inc.
Private and Confidential
60 Shaftesbury Ave.
Toronto, ON M4T 1A3 Canada

Attention: Joe Albert and Tom McElroy

Our File No: 113074-00001

Albert Gelman Inc. Date: October 12, 2023
Re: Receivership of 2244039 Ontario Inc. and 1526400 Ontario Invoice Number: 2229861

PROFESSIONAL SERVICES

For Professional Services rendered and/or disbursements advanced through October 12, 2023.

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Amount</u>
08/10/23	KD7705	External communications.	80.00
08/14/23	KD7705	External communications; revise closing documents; draft statement of adjustments.	320.00
08/15/23	KD7705	Call tax department to confirm taxes owing; draft closing documents.	120.00
08/16/23	KD7705	Internal communications with R.Contestabile and M. Leslie; external communications; review tax statement for 12016 Airport Rd; review closing documents; closing matters.	440.00
08/17/23	KD7705	Internal communications with R. Contestabile, B.Wu and D. Shapira; external communications; review court order and asset purchase agreement; review requisition letter; revise statement of adjustments; draft vesting order.	800.00
08/17/23	DS7700	Telephone conferences, email correspondence regarding closing and work orders, internal discussions.	1,237.50
08/17/23	DS7700	Email correspondence, telephone conferences and internal discussions regarding permits.	660.00
08/18/23	KD7705	Internal communications with R. Contestabile re tax arrears and penalties; finalize statement of adjustments; external communications.	240.00



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Amount</u>
08/18/23	DS7700	Email correspondence.	247.50
08/19/23	DS7700	Email correspondence.	330.00
08/21/23	KD7705	External communications; internal communications with D. Shapira; draft amendment to purchase agreement; finalize statement of adjustments.	360.00
08/21/23	DS7700	Email correspondence, telephone conferences, internal discussions and review Amendment to APS.	742.50
08/22/23	KD7705	External communications.	40.00
08/23/23	KD7705	Coordinate transfer of deposit funds from Wildeboer Dellelce LLP; draft re-direction re trust funds.	200.00
08/23/23	DS7700	Email correspondence and internal discussions.	412.50
08/24/23	KD7705	External communications.	40.00
08/24/23	DS7700	Email correspondence, telephone conference and internal discussions.	1,072.50
08/25/23	KD7705	Revise closing documents to reflect new closing date; external communications.	320.00
08/25/23	DS7700	Email correspondence and telephone conferences.	495.00
08/28/23	KD7705	External communications; review purchase agreement; internal communications with D.Shapira; check HST registration; add purchaser's HST number to closing documents; revise direction re trust funds.	560.00
08/28/23	DS7700	Email communications, telephone conferences and internal discussions regarding closing matters.	660.00
08/29/23	KD7705	Internal communications with R. Contestabile and D.Shapira; closing matters; external communications; review closing documents.	1,400.00
08/29/23	LB7703	Internal discussions.	165.00
08/29/23	DS7700	Email communications, internal discussions and telephone conferences.	577.50
08/30/23	KD7705	External communications; internal communications with R. Contestabile and D. Shapira; closing matters.	1,600.00
08/30/23	LB7703	Correspondence with financing department regarding closing funds.	165.00
08/30/23	DS7700	Email communications, telephone conferences, and internal discussions regarding closing matters and closing funds.	1,072.50



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Amount</u>
08/31/23	KD7705	External communications; internal communications with R. Contestabile; closing matters.	600.00
08/31/23	DS7700	Email communications and internal discussions.	495.00
09/05/23	DS7700	Email correspondence and internal discussions.	247.50
09/06/23	KD7705	Prepare and send electronic closing book.	160.00
09/08/23	KD7705	Internal communications with D.Shapira and external communications re rent paid to Receiver in error.	40.00
09/08/23	DS7700	Email correspondence regarding Tim Hortons rent payments.	330.00
09/11/23	KD7705	External communications to coordinate return of September 2023 rent to new owner.	80.00
09/11/23	DS7700	Email correspondence.	247.50
09/12/23	KD7705	External communications.	80.00
09/12/23	DS7700	Email correspondence and internal discussions.	247.50
09/13/23	KD7705	External communications.	40.00
09/14/23	KD7705	External communications; internal communications with R. Contestabile.	40.00
09/21/23	DS7700	Email correspondence.	165.00
09/25/23	KD7705	External communications.	40.00
10/04/23	KD7705	External communications with Purchaser's lawyer re LRO return of instrument.	80.00
10/12/23	KD7705	External communications; internal communications with D. Shapira and R. Contestabile; prepare and finalize fee affidavit.	400.00
Total Fees			\$17,650.00

DISBURSEMENT SUMMARY

Disbursements

Non-Taxable Disbursements

<u>Description</u>	<u>Amount</u>
Wiring Charges	\$60.00
Non-Taxable Disbursements:	\$60.00

Taxable Disbursements



Matter: 113074-00001
 Invoice: 2229861
 Page : 4

Description

Courier	\$23.53
Taxable Disbursements:	\$23.53

BILL SUMMARY

REG # 110 152 824	Total Fees:	\$ 17,650.00
	Total Disbursements:	\$ 83.53
	Total HST:	\$ 2,297.56
	Total Current Invoice Due:	CAD \$ 20,031.09

Trust Account Summary

Trust Balance: **\$0.00**

This is our account.

DLA Piper (Canada) LLP

Per:

 Daniel Shapira

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.



OTHER CHARGES AND DISBURSEMENT DETAIL

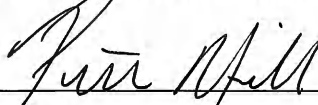
Other Charges

<u>Date</u>	<u>Description</u>	<u>Amount</u>
8/31/2023	Blizzard - Waybill 7295006 - Pick up from: DLA Piper (Canada) LLP, 6000 100 King St W Toronto, Delivered to: City Of Brampton, 2 Wellington St W Brampton USER DEFINED 1: 113074-00001 , DOHER USER DEFINED 2: 7295006	\$23.53
	Taxable Other Charges:	<hr/> \$23.53

Disbursements

<u>Date</u>	<u>Description</u>	<u>Amount</u>
8/24/2023	Incoming-WIRQ USER DEFINED 1: 787594 USER DEFINED 2: R1	\$5.00
8/31/2023	Outgoing-WIRQ USER DEFINED 1: 788094 USER DEFINED 2: R1	\$25.00
8/31/2023	Outgoing-WIRQ USER DEFINED 1: 788093 USER DEFINED 2: R1	\$25.00
8/31/2023	Incoming-WIRQ USER DEFINED 1: 788059 USER DEFINED 2: R1	\$5.00
	Non-Taxable Disbursements:	<hr/> \$60.00
	Total Other Charges & Disbursements:	<hr/> \$83.53

This is Exhibit "C" referred to in the Affidavit of KASSIDY DOHERTY sworn before me by KASSIDY DOHERTY from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 12th day of October, 2023, in accordance with O. Reg. 431/20.

A handwritten signature in black ink, appearing to read "Peter Hill", written over a horizontal line.

A Commissioner for taking affidavits

EXHIBIT "C"

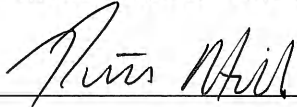
**Calculation of Average Hourly Billing Rates of
Wildeboer Dellelce LLP
for the period July 1, 2023 through to August 4, 2023**

Invoice #	Fees	Disb.	HST	Total Hours	Average Hourly Rate	Total (Fees, Disb., HST)
8213	\$14,177.40	\$440.64	\$1,602.26	24.90	\$569.37	\$14,177.40

**Calculation of Average Hourly Billing Rates of
DLA Piper (Canada) LLP
for the period August 8, 2023 through to October 12, 2023**

Invoice #	Fees	Disb.	HST	Total Hours	Average Hourly Rate	Total (Fees, Disb., HST)
229861	\$17,650.00	\$83.53	\$2,297.56	32.40	\$544.75	\$20,031.09

This is Exhibit "D" referred to in the Affidavit of KASSIDY DOHERTY sworn before me by KASSIDY DOHERTY from the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on this 12th day of October, 2023, in accordance with O. Reg. 431/20.

A handwritten signature in cursive script, appearing to read "Peter Hill", is written above a horizontal line.

A Commissioner for taking affidavits

EXHIBIT "D"

Billing Rates of Wildeboer Dellelce LLP

For the period July 1, 2023 to August 4, 2023

	<u>Position</u>	<u>Rate</u>	<u>Year of Call</u>
Daniel Shapira	Partner	\$825.00	2004
Kassidy Doherty	Associate	\$415.00	2022

Billing Rates of DLA Piper (Canada) LLP

For the period August 8, 2023 to October 12, 2023

	<u>Position</u>	<u>Rate</u>	<u>Year of Call</u>
Daniel Shapira	Partner	\$825.00	2004
Kassidy Doherty	Associate	\$400.00	2022

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

2046245 ONTARIO INC. et al.

Applicants

and

2244039 ONTARIO INC. et al.

Respondents

CV-22-00690513-00CL

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

Proceedings commenced at Toronto

**AFFIDAVIT OF KASSIDY DOHERTY
Sworn October 12, 2023**

DLA PIPER (CANADA) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto, Ontario M5X 1E2

Daniel Shapira (LSO#49428U)
Email: daniel.shapira@dlapiper.com
Tel: (416) 862-3371

Kassidy Doherty (LSO#8500W)
Email: kassidy.doherty@dlapiper.com
Tel: (416) 862-3368

Lawyers for the Receiver, Albert Gelman Inc.

2046245 ONTARIO INC., et al.
Applicants

-and-

2244039 ONTARIO INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD OF THE RECEIVER

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West
35th Floor
Toronto, ON M5V 3H1
Tel: 416.646.4300

Jeffrey Larry (LSO# 44608D)
Tel: 416.646.4330
jeff.larry@paliareroland.com

Lawyers for the Receiver