

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**MOTION RECORD OF THE RECEIVER
(APPROVAL AND DISCHARGE)
(Motion returnable May 6th, 2024)**

April 17, 2024

GARFINKLE BIDERMAN LLP
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Lawyers for the Receiver,
Albert Gelman Inc.

TO: **SERVICE LIST**

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**ONTARIO
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TAB 1

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**NOTICE OF MOTION OF THE RECEIVER
(APPROVAL AND DISCHARGE)**

Albert Gelman Inc. (“Gelman Inc.”) in its capacity as the Court-appointed receiver (in such capacity, the “Receiver”), of all property, assets and undertakings (collectively, the “Property”) of Images Life Media Inc. and 2531509 Ontario Inc. (the “Debtors”), will make a motion before Justice Cavanagh of the Commercial List of the Superior Court of Justice on May 6th, 2024, at 10:00 a.m., or as soon after that time as the motion can be heard, by judicial video conference via Zoom at Toronto, Ontario. Please advise if you intend to join the hearing by emailing Wendy Greenspoon-Soer at wgreenspoon@garfinkle.com and the video conference details will be provided once available.

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

THE MOTION IS FOR:

1. An Order substantially in the form attached as Tab 3 to this Motion Record:
 - (a) Abridging the time for service and filing of this notice of motion and the motion record, authorizing service via electronic mail and dispensing with further service of same;
 - (b) approving the Second Report of the Receiver dated April 16th, 2024 (the “Second Report”) and the Receiver’s conduct and activities described therein;
 - (c) approving the Receiver’s final Statement of Receipts and Disbursements dated April 16th, 2024, (the “April SDR”);
 - (d) approving the fees and disbursements of the Receiver and its counsel Garfinkle Biderman LLP (“Garfinkle”) and Fogler, Rubinoff LLP (“Fogler”), as set out in the Affidavit of Bryan Gelman sworn April 15th, 2024 (“Gelman Affidavit”), the Affidavit of Alex Hora sworn April 16th, 2024 (the “Hora Affidavit”) and the Affidavit of Jonathan Gross, sworn April 12, 2024 (the “Gross Affidavit”), (which Affidavits are collectively referred to as the “Fee Affidavits”) for the period of time set out therein, plus an accrual to complete the Remaining Duties (as defined below);
 - (e) terminating these proceedings and discharging Albert Gelman from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver’s Discharge Certificate; and

(f) such further and other relief as the Receiver may request and this court may grant;

THE GROUNDS FOR THE MOTION ARE:

A. *Background*

2. AGI was appointed as Receiver of the assets, undertakings and property of the debtors by Order of the Honourable Madame Justice Steele dated July 18th, 2023 (“Appointment Order”).
3. The First Report and Supplementary Report to the First Report of the Receiver were approved by the Order of Justice Wilton-Siegel dated November 23rd, 2023.
4. The Second Report of the Receiver sets out the further activities of the Receiver to date, which activities have been in accordance with the Appointment Order and have provided assistance to the court and interested stakeholders.
5. The Receiver’s April 2024 SRD accurately sets out the receipts and disbursements of the Receiver to date.
6. On November 23rd, 2023, the court granted, among other things, an Approval and Vesting Order approving the sale of the real property, known municipally as 113 Walnut Avenue, Toronto, ON, (the “Walnut Property”) and approving the interim distribution (as defined below) (the “Vesting and Distribution Order”). The sale of the Walnut Property was thereafter completed in November 2023.
7. The Receiver subsequently made an interim distribution to the Applicant, the Toronto-Dominion Bank in the amount of \$1,813,978.00.

8. The Receiver has also made interim distributions to pay property tax arrears to the City of Toronto to the date of closing of the sale of the Walnut Property, and to the Toronto-Dominion Bank in respect of the Borrowing Certificate issued by the Receiver to the Bank dated July 27th, 2023, and September 28th, 2023, in the total amount of \$200,000.00.

B. *Receiver's Fees*

9. The fees of the Receiver are more particularly set out in the Gelman Affidavit for the period October 4, 2023, to April 10, 2024, total \$46,676.91 inclusive of HST.
10. The fees of Garfinkle, as more particularly set out in the Hora Affidavit for the period October 10th, 2023, to April 15th, 2024, total \$52,464.83, inclusive of disbursements and HST.
11. The fees of the Receiver's independent counsel with respect to completing a review of the creditors' security and opining to the Receiver in that regard, are more particularly set out in the Gross Affidavit for the period September 26, 2023, to October 12, 2023, and a total of \$5,228.02, inclusive of disbursements and HST.
12. The estimated fees to complete this motion and the Remaining Duties (as defined in the Second Report) is estimated to be no more than \$25,425.00, inclusive of HST, comprised of \$16,950.00 inclusive of HST for the Receiver, \$5,000.00 plus HST for the Receiver's independent counsel, Garfinkle, and \$2,825.00, inclusive of HST, for Administrative disbursements.

C. *Discharge of the Receiver*

13. As the Receiver's administration is substantially complete, subject to certain remaining duties set out in the Second Report, the Receiver is seeking an Order discharging AGI from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver's Discharge Certificate, certifying that the Receiver has completed the remaining duties.
14. The Receiver will remain Receiver for the performance of such incidental duties as may be required to complete its obligations pursuant to its appointment as Receiver, including, but not limited to, the "Remaining Duties" (as defined in the Second Report).

D. *General*

15. The provisions of the *Bankruptcy and Insolvency Act*;
16. Such further and other grounds as counsel may advise and this Honourable court may deem just;
17. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:
 - (a) The Second Report of the Receiver dated April 16th, 2024 and the appendices attached thereto;
 - (b) The Fee Affidavits; and

- (c) such further and other evidence as counsel may advise and this Honourable Court may permit.

April 17, 2024

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Albert Gelman Inc.

THE TORONTO-DOMINION BANK
Plaintiff

and

IMAGES LIFE MEDIA INC., et al.
Defendants

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF MOTION

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File Number: 7923-004

TAB 2

Court File No.: CV-23-00701877-00CL

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

THE TORONTO-DOMINION BANK

Plaintiff

- and -

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., AND JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

**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 April 16, 2024)

I. INTRODUCTION

1. This second 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 Images Life Media Inc. ("**Images**") and 2531509 Ontario Inc. ("**253Co.**" and, together with Images., the "**Companies**") by Order of the Ontario Superior Court of Justice, Commercial List (the "**Court**"), dated July 18, 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 The Toronto-Dominion Bank ("**TD Bank**"). A copy of the Appointment Order along with the endorsement of Justice Steele made July 18, 2023 (the "**Endorsement**") is attached hereto as **Appendix "A"**.

2. On November 23, 2023, on a motion made by the Receiver, the Honourable Justice Wilton-Siegel granted two orders as set out below.

- a. The first order (the “**November 23 Order**”) approved, among other things, the Receiver to assign both Companies into bankruptcy and for AGI to act as trustee in bankruptcy of the Companies’ estate, the Receiver to make an interim distribution to The Toronto-Dominion Bank (“**TD Bank**”) and sealing the confidential appendices to the Supplementary Report (defined below). A copy of the November 23 Order and related Endorsement are attached hereto as **Appendix “B”**.
- b. The second order (the “**November 23 AVO**”) approved, among other things, the sale transaction contemplated by an agreement of purchase and sale between the Receiver and Nikhil Rai (the “**Purchaser**”) dated October 18, 2023 and vesting in the Purchaser all of 253Co.’s right, title and interest in and to the real property municipally known as 113-115 Walnut Avenue, Toronto, Ontario (the “**Walnut Property**”). A copy of the November 23 AVO is attached hereto as **Appendix “C”**.

3. The Receiver prepared a report in respect of the November 23, 2023 motion dated October 10, 2023 (the “**First Report**”). Attached hereto as **Appendix “D”** is a copy of the First Report, without appendices. The Receiver also prepared a supplementary to the First Report dated October 27, 2023 (the “**Supplementary Report**”). Attached hereto as **Appendix “E”** is a copy of the Supplementary Report, without appendices,

II. PURPOSE OF THIS REPORT

4. This Second Report is filed to:

- c. report on the Receiver’s activities in these receivership proceedings since the date of the First Report; and,
- d. request an Order, among other things:
 - i. approving this Second Report as well as the actions and activities of the Receiver and its legal counsel described herein;
 - ii. approving the Receiver’s final statement of receipts and disbursements as of April 16, 2024 (the “**Final SRD**”), including the estimated fee accruals to complete its mandate as set out on the Final SRD (defined below as the Estimated Final Accruals);
 - iii. approving the fees and disbursements of the Receiver and its legal counsel, Garfinkle Biderman LLP (“**Garfinkle Biderman**”) and Fogler, Rubinoff LLP (“**Fogler**”), as outlined herein and detailed in the supporting fee affidavits appended hereto;
 - iv. discharging AGI as Receiver and releasing AGI from all liability upon the filing with the Court of the certificate (the “**Discharge Certificate**”) included as Schedule “A” to the draft form of Order which is included with the Receiver’s May 6, 2024 motion materials,

which certificate shall be filed subsequent to the Receiver completing the Remaining Activities (defined below) as set out below; 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' former external accountants. In addition, the Receiver has had ongoing discussions with representatives of TD Bank 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 Accounting Standards for Private Enterprises ("**ASPE**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to ASPE 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. Capitalized terms not otherwise defined in this Second Report shall have the meanings ascribed to them in the First Report or Supplementary Report.

10. 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

11. Images was incorporated federally in Canada on August 24, 2011. Pursuant to a corporate profile report obtained by the Receiver which was generated on April 6, 2023 Paul Henriques ("**Henriques**") is the sole Director of Images.

12. 253Co. was incorporated in Ontario on August 10, 2016. Pursuant to a corporate profile report obtained by the Receiver which was generated on April 6, 2023 Henriques and Hailey Henriques are both Directors of 253Co. Henriques is listed as the President, Secretary and Treasurer. There are no other Officers listed.

13. Images' business is in videography, filmmaking, photography, editing and post-production services in relation to weddings and special events. Images operated from the Walnut Property. The business of Images was managed by Henriques.

14. 253Co. is a holding company which owned the Walnut Property. The Walnut Property is a two-story building located in downtown Toronto, Ontario with a commercial unit on the first floor and residential units in the basement and second floor.

15. Further details about the Companies and the events leading up to the appointment of the Receiver can be found in the affidavit of Abner Penning, account manager, Commercial Credit with the Financial Restructuring Group of TD Bank (the “**TD Bank Representative**”), sworn June 28, 2023, which was filed in support of TD Bank’s 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. closed the sale of the Walnut Property as authorized in the November 23 AVO and issued the Receiver’s Certificate confirming the closing of the Transaction on January 12, 2024. A copy of the Receiver’s Certificate is attached hereto as **Appendix “F”**.
- b. paid the property tax arrears to the City of Toronto owing by 253Co. outstanding as of the date of the closing of the Transaction;
- c. repaid the Receiver’s borrowings to TD Bank in respect of Borrowing Certificates issued by the Receiver to TD Bank dated July 27, 2023 and September 28, 2023 in the total amount of \$200,000;
- d. made an interim distribution to TD Bank in respect of the TD Mortgage in the amount of \$1.8 million and entered into a reimbursement agreement with TD Bank as authorized in the November 23 Order;
- e. assigned both Companies into bankruptcy on December 6, 2023. Attached hereto as **Appendix “G”** are copies of the bankruptcy certificates issued by the Office of the Superintendent of Bankruptcy Canada confirming the assignments. An examination of Henriques was conducted by AGI (in its capacity as Trustee) in the bankruptcy administration;
- f. assisted the CRA with its examination of the Images payroll and HST accounts;
- g. as set out in the First Report the Receiver removed several computers from the Walnut Property and relocated them to a local appraiser / liquidator for safekeeping. As further set out in the First Report the Receiver received security documents from Apple Canada Inc. (“**Apple**”) in respect of the computers. The Receiver intends to either return the computers to Apple (after having removed all information contained on the hard drives) or otherwise dispose of them. The Receiver has determined that the Apple computers have no realizable value;

VI. REALIZABLE ASSETS

17. The Receiver has determined that Images has no realizable assets. Henriques advise the Receiver that all of Images books and records and Equipment (defined in the First Report) were located at the Walnut Property as of the date of the Appointment Order and there was no other equipment owned by Images. The Equipment could not be located by the Receiver and the Receiver is not taking any further steps to recover Images' Equipment or other assets. As a result, there will be no distribution to any creditors of Images.

18. As set out in the First Report, the only realizable asset of 253Co. is the Walnut Property which the Receiver sold in accordance with the November 23 AVO. The proceeds from the sale of the Walnut Property were not sufficient to repay the first ranking mortgage of TD Bank. As a result, there will be no distribution to Olympia in respect of second ranking charge on the Walnut Property or any other creditors of 253Co.

VII. FINAL ACTIVITIES OF THE RECEIVER

19. In order to complete its mandate, the Receiver intends to, *inter alia*, do the following:

- a. distribute the remaining proceeds from the sale of the Walnut Property in the Receiver's trust account to TD Bank in respect of the TD Mortgage;
 - b. pay the final fees of the Receiver and counsel to the Receiver as set out in the Estimated Fee Accruals (defined below);
 - c. either return the Apple computers to Apple (after having removed all information contained on the hard drives) or otherwise dispose of them; and,
 - d. undertake such other administrative activities as may be required to complete its mandate.
- (collectively, the "**Remaining Activities**")

20. Upon the Liquidator completing the Remaining Activities set out above it shall file with the Court the Discharge Certificate in order to effect its discharge as Liquidator of the Company.

VIII. RECEIVER'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

21. Attached hereto at **Appendix "H"** is the Receiver's final statement of receipts and disbursements as at April 16, 2024 (defined above as the Final SRD).

IX. RECEIVER'S AND ITS COUNSEL'S ACCOUNTS

22. The fees of the Receiver for the period from October 4, 2023 to April 10, 2024 are detailed in the affidavit of Bryan Gelman sworn April 15, 2024, a copy of which is attached hereto as **Appendix "I"**.

23. The Receiver's fees encompass 94.5 hours at an average hourly rate of approximately \$432.99 for a total of \$41,307 and applicable taxes. The Receiver is therefore requesting that this Court approve total fees inclusive of applicable taxes in the amount of \$46,676.91.

24. The fees and disbursements of Garfinkle Biderman for the period from October 10, 2023 to April 15, 2024 are detailed in the affidavit of Alex Hora affirmed April 16, 2024, a copy of which is attached as **Appendix “J”**.

25. Garfinkle Biderman's fees encompass 69.2 hours at an average hourly rate of approximately \$671.63 for total fees of \$46,476.96 and accounts totalling \$52,464.83 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve Garfinkle Biderman's total fees and disbursements inclusive of applicable taxes in the amount of \$52,464.83.

26. The fees and disbursements of Fogler for the period from September 26 to October 12, 2023 are detailed in the affidavit of Jonathan Gross affirmed April 12, 2024, a copy of which is attached as **Appendix “K”**.

27. Fogler's fees encompass 8.4 hours at an average hourly rate of approximately \$539.52 for total fees of \$4,532.00 and accounts totalling \$5,228.02 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve Fogler's total fees and disbursements inclusive of applicable taxes in the amount of \$5,228.02.

28. The Receiver is of the view that the hourly rates charged by Garfinkle Biderman and Fogler 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.


29. Set out on the Final SRD are the Receiver's estimated fee and disbursement accruals required to complete its mandate which accruals include its estimated fees, the estimate fees of Garfinkle Biderman as well as the estimated administrative disbursements of the Receiver (the **“Estimated Final Accruals”**). The Receiver is of the view that the Estimated Fee Accruals are reasonable in the circumstances and is requesting that this Honourable Court approve the Estimated Final Accruals.

X. RECEIVER'S RECOMMENDATION

30. 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 16th day of April 2024

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

Per:  Digitally signed
by Bryan
Gelman

Bryan Gelman, *CIRP, LIT*

APPENDIX A



SUPERIOR COURT OF JUSTICE

COUNSEL SLIPCOURT FILE NO.: CV-23-00701877-00CLDATE: 18 July 2023NO. ON LIST: 4

TITLE OF PROCEEDING: THE TORONTO-DOMINION BANK v.
IMAGES LIFE MEDIA INC. et al.

BEFORE JUSTICE: MADAM JUSTICE STEELE

PARTICIPANT INFORMATION**For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
Rachel Moses	For the Plaintiff, The Toronto-Dominion Bank	rmoses@mindengross.com

For Other:

Name of Person Appearing	Name of Party	Contact Info
Wendy Greenspoon-Soer	For the Proposed Receiver, Albert Gelman Inc.	wgreenspoon@garfinkle.com

ENDORSEMENT OF JUSTICE STEELE:

1. The Toronto-Dominion Bank seeks the appointment of Albert Gelman Inc. as receiver of Images Life Media Inc. (“Images”) and 2531509 Ontario Inc. (“253”, and collectively with Images, the “Debtors”) pursuant to section 243 of the BIA and section 101 of the *Courts of Justice Act*.
2. Images registered head office is located at 113-115 Walnut Avenue, Toronto (the “Walnut Property”). 253 owns the Walnut Property. The Walnut Property is the primary asset.

3. Mr. Henriques is the founder and sole director of Images, and an officer and director of 253. Mr. Henriques personally guaranteed the debts of the Debtors to TD. Mr. Henriques had listed the Walnut Property for sale, but it has not sold.
4. TD has five credit facilities in favour of the Debtors. As security for the Credit Facilities, the Debtors granted TD a GSA, which entitles TD to appoint a receiver upon default. TD also is entitled to appoint a receiver upon default under the terms of the Mortgage Security.
5. The Debtors owe TD in excess of \$3.8 million under the Credit Facilities.
6. As a result of numerous concerns, TD transferred the Debtor's accounts to its financial restructuring group in February 2023. TD's concerns are set out at para. 33 in the affidavit of Abner Pennings, sworn June 28, 2023, including: the Debtors' accounts were regularly overdrawn, and the Debtors did not respond in a timely manner to communications from TD or provide requested financial information. TD was concerned whether Images was carrying on normal business operations, if at all.
7. TD has requested, since at least February 2023, that the Debtors provide year to date financial statements and information on priority payables (i.e., source deductions, harmonized sales tax and realty taxes).
8. On April 13, 2023, TD issued a non-tolerance and reservation of rights letter to the Debtors advising of various breaches under the Credit Facilities, including Payment Defaults, Realty Tax Default and Encumbrance Default. The Debtors were requested to remedy the defaults, which the Debtors have not done.
9. On April 20, 2023, TD issued payment demands and Notices of Intention to Enforce Security to the Debtors. Following the issuance of TD's demand, TD and Mr. Henriques had discussions, including an attempt to reach a forbearance agreement. TD sent a copy of the proposed forbearance agreement to Mr. Henriques. He did not sign the agreement prior to the sign back deadline. TD unilaterally extended the sign back deadline on the forbearance agreement. Mr. Henriques again did not sign the forbearance agreement. TD's lawyer sent a revised forbearance agreement to Mr. Henriques by email on June 5, 2023 and advised, among other things:

We again strongly recommend that you retain a lawyer and that this matter be treated with urgency. The date to repay the Bank is July 31, 2023 [in the event that the forbearance agreement was executed, which it was not] and payment demands have been outstanding since May 1, 2023. The status quo cannot continue, especially as realty taxes are not being paid.

10. The Debtors have not signed the forbearance agreement. No good faith payment has been made by the Debtors. The defaults identified in the Non-Tolerance and Reservation of Rights Letter have not been remedied. The indebtedness remains outstanding. TD wishes to enforce its rights.
11. Mr. Henriques did not attend the motion, nor did he send a representative on his behalf. Mr. Henriques did not file any materials. Mr. Henriques sent an email to TD's counsel sometime after midnight last night indicating that he did not receive the motion materials and was not aware of the proceeding and was unable to attend based on personal circumstances. Based on the record before me, including the affidavit of Christine Cavarzan, sworn July 18, 2023, and the affidavits of service, in addition to the submissions from counsel, I am satisfied that Mr. Henriques was aware of the motion today. He was served with the motion record by email to the same email address as he used to correspond with Ms.

Moses today: joao@vybelife.com. TD's factum was also served on Mr. Henriques on July 6, 2023. As noted in the email from Ms. Moses to Mr. Henriques, dated July 18, 2023 7:23 AM:

You were served at the email address [noted] above on **June 29, 2023** – there is no short notice. In addition, I personally left two separate voice messages for you advising of the receivership, the last voice message being left on **July 4 2023 which message lasted 55 seconds**. With all due respect, TD has been more than patient and has provided many accommodations to you, which you have ignored. By way of example, I sent the below email to you on June 5, 2023, which you failed to respond to. Your failure to address the concerns has put the Bank's security at risk. The Bank is proceeding with the receivership hearing today as previously advised.

12. Under s. 243 of the BIA and section 101 of the CJA, the Court may appoint a receiver if it is "just and convenient" to do so.
13. In determining whether to appoint a receiver, the Court must have regard to all of the circumstances, including "the nature of the property and the rights and interests of all parties in relation thereto:" *Bank of Montreal v. Sherco Properties Inc.*, 2013 7023 CanLII, at para. 41. In *Bank of Nova Scotia v. Freure Village on the Clair Creek*, 1996 CanLII 8258 (ONSC), at paras. 10-13, the Court identified certain considerations that are relevant:
 - The moving party has a right under its security to appoint a receiver;
 - The security is in jeopardy; and
 - Whether it is in the interests of all concerned to have a receiver appointed by the Court. This analysis includes an examination of the potential costs, the relationship between the debtor and the creditors, the likelihood of maximizing the return on and preserving the subject property, and the best way of facilitating the working duties of the receiver and manager.
14. In *Sherco*, Morawetz J. (as he then was) confirmed that the appointment of a receiver is not an extraordinary remedy where a secured creditor is merely seeking to enforce a contractual term:

... While the appointment of a receiver is generally regarded as an extraordinary equitable remedy, courts do not regard the nature of the remedy as extraordinary or equitable where the relevant security document permits the appointment of a receiver. This is because the applicant is merely seeking to enforce a term of an agreement that was assented to by both parties. See *Textron Financial Canada Limited v. Chetwynd Motels Limited*, 2010 BCSC 477; *Freure Village, supra*; *Canadian Tire Corp. v. Healy*, 2011 ONSC 4616 and *Bank of Montreal v. Carnivale National Leasing Ltd. and Carnivale Automobile Ltd.*, 2011 ONSC 1007.
15. TD notes that there are other stakeholders, including the City of Toronto, Apple Canada, and Olympia Trust, all of whom were served. Olympia Trust advised counsel for TD that they would not attend the motion and were not taking a position.
16. TD does not want to risk its security being further eroded.
17. I am satisfied that it is just and convenient to appoint a receiver at this time. TD is a secured creditor. The Debtors have breached their obligations under the Credit Agreement, which has resulted in events of default. TD has made demands and the indebtedness remains outstanding in full. The contractual terms of the GSA and the Mortgage Security permit the appointment of a receiver on default. TD continues to be concerned because, among other things, the Debtors have refused to provide the

financial information requested by TD under the Credit Agreement. Accordingly, TD has no line of sight on priority payables (other than realty tax, which is in arrears). With the lack of information TD cannot assess the extent to which there are priority payables that may jeopardize their position.

18. Order attached.

A handwritten signature in blue ink, appearing to be "J. [unclear]". The signature is cursive and somewhat stylized, with a large initial letter and several loops.



Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM)
JUSTICE STEELE)
)
)
)

TUESDAY, THE 18TH
DAY OF JULY, 2023

THE TORONTO-DOMINION BANK

Plaintiff

- and -

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES

Defendants

ORDER
(appointing Receiver)

THIS MOTION made by the Plaintiff 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 (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of Images Life Media Inc. and 2531509 Ontario Inc. (the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Abner Pennings sworn June 28, 2023 and the Exhibits thereto and on hearing the submissions of counsel for the Plaintiff, no one appearing for the Debtors although duly served as appears from the affidavits of service of Christine Cavarzan sworn June 29, 2023 and July 6, 2023, and the affidavit of

Achilles Nardelli sworn July 6, 2023, and on reading the consent of Albert Gelman Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 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 \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required.

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

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property, including the property municipally known as 113-115 Walnut Avenue, Toronto, Ontario, and legally described as PT LT 4-5 PL D227 TORONTO AS IN CT378711; CITY OF TORONTO, PIN 21241-0192 (LT);
- (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 DEBTOR 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 Debtors, 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 Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 \$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the

Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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 with the following URL <https://www.albertgelman.com/corporate-solutions/other-engagements/>.

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.



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME], the receiver (the "Receiver") of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 20__ (the "Order") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

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

Per: _____
Name:
Title:

Electronically issued / Délivré par voie électronique : 19-Jul-2023
Toronto Superior Court of Justice / Cour supérieure de justice

Court File No./N° du dossier du greffe : CV-23-00701877-00CL

THE TORONTO-DOMINION BANK
Plaintiff

-and-

IMAGES LIFE MEDIA INC., et al.
Defendants
Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

MINDEN GROSS LLP
Barristers and Solicitors
2200 - 145 King Street West
Toronto, ON M5H 4G2

Rachel Moses (LSO#42081V)
rmoses@mindengross.com
Tel: 416-369-4115

Lawyers for the Plaintiff,
The Toronto-Dominion Bank

(File No. 4132528)

APPENDIX B

ONTARIO SUPERIOR COURT OF JUSTICE (TORONTO REGION)
CIVIL ENDORSEMENT FORM
(Rule 59.02(2)(c)(i))

BEFORE	Judge/Case Management Associate Judges MR. JUSTICE H. J. WILTON-SIEGEL	Court File Number: CV-23-00701877-00CL
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Title of Proceeding:

..... **THE TORONTO-DOMINION BANK** Plaintiff(s)

-v-

..... **IMAGES LIFE MEDIA INC. et al** Defendants(s)

Case Management: **Yes** If so, by whom: _____ **No**

Participants and Non-Participants: *(Rule 59.02(2)(vii))*

Party	Counsel	E-mail Address	Phone #	Participant (Y/N)
1) Plaintiff – TD Bank	Moses, R.	Rmose4s@mindengross.com	647-968-5842	Y
2) Receiver Albert Gelman	Greenspoon-Soer, W.	wgreenspoon@garfinkle.com	416-869-1234	Y
3) Defendant	Baker, D.	idesbaker@rogers.com	416-997-4783	Y

Date Heard: *(Rule 59.02(2)(c)(iii))* **November 23, 2023**

Nature of Hearing (mark with an “X”): *(Rule 59.02(2)(c)(iv))*

Motion Appeal Case Conference Pre-Trial Conference Application

Format of Hearing (mark with an “X”): *(Rule 59.02(2)(c)(iv))*

In Writing Telephone Videoconference In Person

If in person, indicate courthouse address:

Relief Requested: *(Rule 59.02(2)(c)(v))*

Costs: On a N/A indemnity basis, fixed at \$ are payable by to [when]

Brief Reasons, if any: (Rule 59.02(2)(b))

This matter was scheduled in a case conference before Mr. Justice Cavanagh on September 20, 2023 who set a mandatory timetable in order to ensure this hearing date. The Receiver’s motion record for this hearing, including the Receiver’s Supplementary Report, were served on the defendants by October 30, 2023. The defendants took no action until the evening before this hearing when Mr. Baker says he served and filed responding materials which do not however appear on Caselines. He seeks a cross-examination of the appraiser for the Receiver for the reasons described below. The deadline for cross-examinations under the schedule established by Mr. Justice Cavanagh was November 10, 2023. I will deal with the five items of requested relief in turn.

The Proposed Sale Transaction

The Receiver seeks approval of the proposed sale of a property known municipally as 115 Walnut Street, Toronto (the “Property”) pursuant to an agreement dated October 18, 2023 between the Receiver and Nikesh Rai in trust for a company to be incorporated (the “Agreement”) and assigned to Nikhil Rai (the “Purchaser”).

The Debtors, Images Life Media Inc. and 2531509 Ontario Inc. (collectively, the “Debtors”), and Jao Paul Henriques seek an adjournment in order to examine the appraiser who was retained by the Receiver. The appraiser appraised the Property as of July 31, 2023.

Mr. Baker says that the same appraiser had previously appraised the Property at \$4.3m as of October 24, 2022. Mr. Baker submits that the diminution in value between these dates was far less than the difference between these appraisals. He suggests that the lower appraisal is inaccurate and its use for the purposes of fixing the listing price of \$2,475,000 has resulted in a significant loss of value.

Whatever the merits of this argument in general, there is no support for it in the present case. Mr. Henriques has tried to sell the Property at various times since March 2021. Most recently, the Property was listed at \$4.5 million on March 20, 2022, \$4.45 million on September 6, 2022 and \$3.995 million on February 16, 2023. In each case, Mr. Henriques was unsuccessful in finding a purchaser at the listed price.

The Receiver listed the Property on MLS on September 12, 2023. The Property remained listed for 36 days, 21 inquiries were received and there were 9 showings. A marketing package was circulated to prospective buyers. The result was three offers of which the offer accepted by the Trustee after a negotiation represented the best available offer in the opinion of the

Receiver. It is also noteworthy that the accepted offer is unconditional.

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Given the foregoing, I am satisfied that the Property has been broadly marketed, by both Mr. Henriques and the Receiver, and that the price under the Agreement represents the fair market value of the Property at this time. Apart from Mr. Baker's submission, which is superseded by this evidence of the actual market price of the Property, there is no objection raised to the integrity of the sales price or any unfairness in respect of that process. I see no merit in the submission of Mr. Baker regarding the listing price given the evidence of the market price. For this reason, there is no basis for the requested adjournment, even before consideration of the absence of an adequate explanation for the defendants' failure to respond to the timetable set by Mr. Justice Cavanagh.

Accordingly, the proposed transaction is approved. The confidential appendices A, B and C to the Receiver's Supplementary Report will be sealed pending closing of the transaction.

The Remaining Relief

The Receiver seeks the following additional relief.

First, the Receiver seeks orders assigning the Debtors into bankruptcy for the purpose of using the provisions under the *Bankruptcy and Insolvency Act* (the "BIA") to require Mr. Henriques to submit to an examination in respect of, among other things, the property, plant and equipment listed on the balance sheet of Images Life Media Inc. having a value of approximately \$2.5 million. To date Mr. Henriques has not responded to multiple requests for information regarding those assets. Given that the Debtors' known assets are insufficient to enable payment of their obligations, this is a reasonable request. Any disadvantage resulting from this relief is solely the responsibility of Mr. Henriques, who could have avoided this action by responding to the Receiver's requests.

The Debtors each have debts in excess of \$1,000 and each has ceased to pay its obligations as they fall due. I am satisfied that the Court has the authority to order this relief under s. 49(1) of the BIA given the purpose of the statute and this provision in particular.

Second, the Receiver seeks approval of its First Report and its Supplementary Report. The Receiver also seeks approval of its fees and the fees of its counsel. No objections have been received in respect of this relief. In particular, Mr. Baker confirmed that his client was not objecting to the Receiver's activities or the fees sought on this motion.

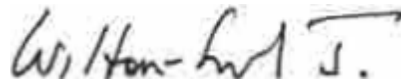
Lastly, the Receiver seeks approval of the proposed distribution to the Toronto-Dominion Bank (the "T-D") of the funds remaining after completion of the proposed sale transaction. While Mr. Henriques intends to challenge the validity of the T-D security and the calculation of interest owing under the financing arrangements between the T-D and the Debtors, this issue will be addressed in the Statement of Defence and Counterclaim of the Debtors and Mr. Henriques in the action commenced by the T-D Statement of Claim.

Based on the foregoing, an approval and vesting order and a further approval and assignment in bankruptcy order to go in the forms attached.

Additional pages attached: Yes No

November 24, 20 **23**

Date of Endorsement (Rule 59.02(2)(c)(ii))



Signature of Judge/Case Management Master (Rule 59.02(2)(c)(i))

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)
JUSTICE H.J. WILTON-SIEBEL)

TUESDAY, THE 23rd
DAY OF NOVEMBER, 2023

Handwritten signature

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**ORDER
(Approval and Assignment in Bankruptcy)**

THIS MOTION, made by Albert Gelman Inc., (“AGI”) in its capacity as the Court-appointed receiver (in such capacity, the “Receiver”) of the assets, undertakings and property of Images Life Media Inc. and 2531509 Ontario Inc. (the “Debtors”) for an order:

- (a) if necessary, abridging the time for service of the Notice of Motion and Motion Record in respect of this motion and dispensing with further service thereof;
- (b) approving the Receiver’s First Report dated October 10, 2023 (the “First Report”) filed by Albert Gelman Inc. as well as the actions and activities of the Receiver and its legal counsel described in the First Report;

-2-

- (c) approving the Receiver's Supplementary Report to the First Report dated October 27, 2023 ("Supplementary Report") filed by Albert Gelman Inc., as well as the actions and activities of the Receiver and its legal counsel described in the Supplementary Report;
- (d) approving the Receiver's Interim Statement of Receipts and Disbursements dated October 10, 2023 (the "October 2023 SRD");
- (e) authorizing the Receiver to assign the Debtors into Bankruptcy and for AGI to act as trustee in bankruptcy of the Debtors' estates; and
- (f) approving the fees and disbursements of the Receiver and of its counsel Garfinkle, Biderman ("Garfinkle");
- (g) approving the sale transaction (the "Transaction") contemplated by an Agreement of Purchase and Sale (the "Sale Agreement") between the Receiver and Nikhil Rai (the "Purchaser") dated as of October 18, 2023;
- (h) authorizing the Receiver to make interim distribution payments on account of the Receiver and Receiver's counsel's fees and to the first mortgagee, the Toronto-Dominion Bank ("TD") out of the available funds held by the Receiver; and
- (i) sealing the confidential appendices A, B and C to the Supplementary Report of the Receiver,

was heard this day at 330 University Avenue, Toronto, Ontario.

-3-

ON READING the First Report and the Supplementary Report of the Receiver and on hearing the submissions of counsel for the Receiver and counsel for the Debtors, and those parties appearing on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Monika Gugu sworn October 30, 2023, filed;

NOTICE AND SERVICE

1. **THIS COURT ORDERS** that time for service of the motion materials filed in support thereof is abridged and further service is dispensed with, such that this Motion is properly returnable today.

APPROVAL OF RECEIVER'S REPORTS, ACTIVITIES AND FEES

2. **THIS COURT ORDERS** that the First Report and the activities of the Receiver as set out therein be and are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
3. **THIS COURT ORDERS** that the Supplementary Report and the activities of the Receiver as set out therein be and are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.
4. **THIS COURT ORDERS** that the October 2023 SRD appearing as Appendix G, in the First Report, be and is hereby approved;

-4-

5. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and of its counsel, as set out in the Affidavits of Bryan Gelman, sworn October 10th, 2023, and of Alex Hora, sworn October 10th, 2023, each as appears in the First Report, be and are hereby approved.

6. **THIS COURT ORDERS** that the Receiver is authorized to pay all such fees and disbursements from available funds.

DISTRIBUTION

7. **THIS COURT ORDERS** that, provided that after such distribution there will remain in the Receiver's possession a reserve for existing and future costs and expenses of the Receiver, the Receiver is hereby authorized, but not obligated, to make a distribution payment or payments to the first mortgagee, the Toronto-Dominion Bank ("TD") out of the available funds held by the Receiver, (a) upon TD entering into a reimbursement agreement with the Receiver on terms satisfactory to the Receiver, and (b) the expiry of the applicable appeal period from this order without a notice of appeal or notice of motion for leave to appeal being delivered.

BANKRUPTCY ASSIGNMENT

8. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to assign the Debtors into bankruptcy and AGI is hereby authorized to act as Trustee in Bankruptcy of the Debtors' estates;

SEALING

9. **THIS COURT ORDERS** that the confidential appendices A, B and C to the Supplementary Report of the Receiver are hereby sealed pending the closing of the transaction with the Purchaser described in the Supplementary Report, and the filing of a Receiver's Certificate.

MISCELLANEOUS

10. **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.

William M. J.

THE TORONTO-DOMINION BANK
Plaintiff and
IMAGES LIFE MEDIA INC., et al.
Defendants

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

ORDER

(Approval and Assignment in Bankruptcy)

GARFINKLE BIDERMAN LLP
Barristers & Solicitors
1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

Wendy H. Greenspoon-Soer LSO#34698L
wgreenspoon@garfinkle.com
Tel: 416-869-1234

Lawyers for the Receiver, Albert Gelman Inc.

File Number: 7923-004

RCP-F 4C (September 1, 2020)

APPENDIX C

ONTARIO SUPERIOR COURT OF JUSTICE (TORONTO REGION)
CIVIL ENDORSEMENT FORM
(Rule 59.02(2)(c)(i))

BEFORE	Judge/Case Management Associate Judges MR. JUSTICE H. J. WILTON-SIEGEL	Court File Number: CV-23-00701877-00CL
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Title of Proceeding:

..... **THE TORONTO-DOMINION BANK** Plaintiff(s)

-v-

..... **IMAGES LIFE MEDIA INC. et al** Defendants(s)

Case Management: **Yes** If so, by whom: _____ **No**

Participants and Non-Participants: *(Rule 59.02(2)(vii))*

Party	Counsel	E-mail Address	Phone #	Participant (Y/N)
1) Plaintiff – TD Bank	Moses, R.	Rmose4s@mindengross.com	647-968-5842	Y
2) Receiver Albert Gelman	Greenspoon-Soer, W.	wgreenspoon@garfinkle.com	416-869-1234	Y
3) Defendant	Baker, D.	idesbaker@rogers.com	416-997-4783	Y

Date Heard: *(Rule 59.02(2)(c)(iii))* **November 23, 2023**

Nature of Hearing (mark with an “X”): *(Rule 59.02(2)(c)(iv))*

Motion Appeal Case Conference Pre-Trial Conference Application

Format of Hearing (mark with an “X”): *(Rule 59.02(2)(c)(iv))*

In Writing Telephone Videoconference In Person

If in person, indicate courthouse address:

Relief Requested: *(Rule 59.02(2)(c)(v))*

Costs: On a N/A indemnity basis, fixed at \$ are payable by to [when]

Brief Reasons, if any: (Rule 59.02(2)(b))

This matter was scheduled in a case conference before Mr. Justice Cavanagh on September 20, 2023 who set a mandatory timetable in order to ensure this hearing date. The Receiver’s motion record for this hearing, including the Receiver’s Supplementary Report, were served on the defendants by October 30, 2023. The defendants took no action until the evening before this hearing when Mr. Baker says he served and filed responding materials which do not however appear on Caselines. He seeks a cross-examination of the appraiser for the Receiver for the reasons described below. The deadline for cross-examinations under the schedule established by Mr. Justice Cavanagh was November 10, 2023. I will deal with the five items of requested relief in turn.

The Proposed Sale Transaction

The Receiver seeks approval of the proposed sale of a property known municipally as 115 Walnut Street, Toronto (the “Property”) pursuant to an agreement dated October 18, 2023 between the Receiver and Nikesh Rai in trust for a company to be incorporated (the “Agreement”) and assigned to Nikhil Rai (the “Purchaser”).

The Debtors, Images Life Media Inc. and 2531509 Ontario Inc. (collectively, the “Debtors”), and Jao Paul Henriques seek an adjournment in order to examine the appraiser who was retained by the Receiver. The appraiser appraised the Property as of July 31, 2023.

Mr. Baker says that the same appraiser had previously appraised the Property at \$4.3m as of October 24, 2022. Mr. Baker submits that the diminution in value between these dates was far less than the difference between these appraisals. He suggests that the lower appraisal is inaccurate and its use for the purposes of fixing the listing price of \$2,475,000 has resulted in a significant loss of value.

Whatever the merits of this argument in general, there is no support for it in the present case. Mr. Henriques has tried to sell the Property at various times since March 2021. Most recently, the Property was listed at \$4.5 million on March 20, 2022, \$4.45 million on September 6, 2022 and \$3.995 million on February 16, 2023. In each case, Mr. Henriques was unsuccessful in finding a purchaser at the listed price.

The Receiver listed the Property on MLS on September 12, 2023. The Property remained listed for 36 days, 21 inquiries were received and there were 9 showings. A marketing package was circulated to prospective buyers. The result was three offers of which the offer accepted by the Trustee after a negotiation represented the best available offer in the opinion of the

Receiver. It is also noteworthy that the accepted offer is unconditional.

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Given the foregoing, I am satisfied that the Property has been broadly marketed, by both Mr. Henriques and the Receiver, and that the price under the Agreement represents the fair market value of the Property at this time. Apart from Mr. Baker's submission, which is superseded by this evidence of the actual market price of the Property, there is no objection raised to the integrity of the sales price or any unfairness in respect of that process. I see no merit in the submission of Mr. Baker regarding the listing price given the evidence of the market price. For this reason, there is no basis for the requested adjournment, even before consideration of the absence of an adequate explanation for the defendants' failure to respond to the timetable set by Mr. Justice Cavanagh.

Accordingly, the proposed transaction is approved. The confidential appendices A, B and C to the Receiver's Supplementary Report will be sealed pending closing of the transaction.

The Remaining Relief

The Receiver seeks the following additional relief.

First, the Receiver seeks orders assigning the Debtors into bankruptcy for the purpose of using the provisions under the *Bankruptcy and Insolvency Act* (the "BIA") to require Mr. Henriques to submit to an examination in respect of, among other things, the property, plant and equipment listed on the balance sheet of Images Life Media Inc. having a value of approximately \$2.5 million. To date Mr. Henriques has not responded to multiple requests for information regarding those assets. Given that the Debtors' known assets are insufficient to enable payment of their obligations, this is a reasonable request. Any disadvantage resulting from this relief is solely the responsibility of Mr. Henriques, who could have avoided this action by responding to the Receiver's requests.

The Debtors each have debts in excess of \$1,000 and each has ceased to pay its obligations as they fall due. I am satisfied that the Court has the authority to order this relief under s. 49(1) of the BIA given the purpose of the statute and this provision in particular.

Second, the Receiver seeks approval of its First Report and its Supplementary Report. The Receiver also seeks approval of its fees and the fees of its counsel. No objections have been received in respect of this relief. In particular, Mr. Baker confirmed that his client was not objecting to the Receiver's activities or the fees sought on this motion.

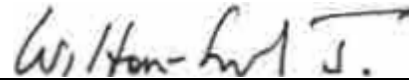
Lastly, the Receiver seeks approval of the proposed distribution to the Toronto-Dominion Bank (the "T-D") of the funds remaining after completion of the proposed sale transaction. While Mr. Henriques intends to challenge the validity of the T-D security and the calculation of interest owing under the financing arrangements between the T-D and the Debtors, this issue will be addressed in the Statement of Defence and Counterclaim of the Debtors and Mr. Henriques in the action commenced by the T-D Statement of Claim.

Based on the foregoing, an approval and vesting order and a further approval and assignment in bankruptcy order to go in the forms attached.

Additional pages attached: Yes No

November 24, 20 **23**

Date of Endorsement (Rule 59.02(2)(c)(ii))



Signature of Judge/Case Management Master (Rule 59.02(2)(c)(i))

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)
)
JUSTICE H.J. WILTON - SIBBOL)

TUESDAY, THE 23rd)
) *Mahar*
DAY OF NOVEMBER, 2023

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**ORDER
(Approval and Vesting Order)**

THIS MOTION, made by Albert Gelman Inc., (“AGI”) in its capacity as the Court-appointed receiver (in such capacity, the “Receiver”) of the assets, undertakings and property of Images Life Media Inc. and 2531509 Ontario Inc. (“253Co.”) for an order approving the sale transaction (the "Transaction") contemplated by an Agreement of Purchase and Sale (the "Sale Agreement") between the Receiver and Nikhil Rai (the “Purchaser”) dated as of October 18, 2023 and appended to the Supplementary Report to the First Report of the Receiver dated October 27, 2023 (the "Supplementary Report"), and vesting in the Purchaser 253Co.’s right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.:

ON READING the First Report of the Receiver dated October 10, 2023 (the "First Report") and the Supplementary Report of the Receiver and on hearing the submissions of counsel for the Receiver, and any other party as indicated on the counsel slip, and no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Monika Gugu sworn October 30, 2023, filed:

1. **THIS COURT ORDERS** that to the extent necessary the time for service of the motion record in respect of this motion and the Supplementary Report, is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

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

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's Certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), the Purchased Assets, including (i) all of 253Co.'s right, title and interest in the Lands described in the Sale Agreement and listed on Schedule B hereto (the "Real Property") 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 Steele dated July 18, 2023; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the City of Toronto (No. 64) of an Application for Vesting Order in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject Real Property identified in Schedule B hereto 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 253Co. and any bankruptcy order issued pursuant to any such applications; and
- c) any assignment in bankruptcy made in respect of the 253Co.;

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 253Co. and shall not be void or voidable by creditors of the 253Co., nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT 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.

William - L. J.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "Court") dated July 18, 2023, Albert Gelman inc. ("AGI") was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Images Life Media Inc. and 2531509 Ontario Inc. ("253Co.").

B. Pursuant to an Order of the Court dated November 23, 2023, the Court approved the agreement of purchase and sale made as of October 18, 2023 (the "Sale Agreement") between the Receiver and Nikhil Rai (the "Purchaser") and provided for the vesting in the Purchaser of the 253Co.'s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

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

ALBERT GELMAN INC., solely in its capacity as Receiver of all of the undertakings, property and assets of 2531509 Ontario Inc. and not in its personal capacity

Per: _____

Name: Bryan Gelman

Title:

I have the authority to bind the corporation

Schedule B – Real Property

PIN 21241-0192 (LT)

PT Lt 4-5 PL D227 Toronto, as in CT378711; City of Toronto

Known municipally as 113-115 Walnut Avenue, Toronto, Ontario

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

1. Instrument No. AT5611674 being a Charge registered December 30, 2020 from 2531509 Ontario Inc. to The Toronto-Dominion Bank.
2. Instrument No. AT5611675 being a Notice of Assignment of Rents registered December 30, 2020 from 2531509 Ontario Inc. to The Toronto-Dominion Bank.
3. Instrument No. AT6155996 being a Charge registered August 11, 2022 from 2531509 Ontario Inc. to Olympia Trust Company.
4. Instrument No. AT6155997 being a Notice of Assignment of Rents registered August 11, 2022 from 2531509 Ontario Inc. to Olympia Trust Company.

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

(unaffected by the Vesting Order)

Permitted Encumbrances with respect to the Property (as defined in the Sale Agreement) means:

1. The specific encumbrances (excluding any mortgages or charges), exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel registers for the Property.
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables).
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto.
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance.
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices.
8. Any subdivision agreements, site plan agreements, development agreements and

-4-

any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction.

9. Defects or irregularities in title to the Property.

10. Any rights of expropriation, access or use, or any other right conferred or reserved by or in any statute of Canada or the Province of Ontario or in any other governmental authority.

11. Encumbrances respecting minor encroachments by the Property over neighbouring lands permitted under agreements with the owners of such other lands and minor encroachments over any of the Property by improvements of abutting land owners permitted under agreements with such abutting owners.

THE TORONTO-DOMINION BANK
Plaintiff

and
IMAGES LIFE MEDIA INC., et al.
Defendants

Court File No. CV-23-00701877-00CL

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E277

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

**ORDER
(Approval and Vesting Order)**

GARFINKLE BIDERMAN LLP
Barristers & Solicitors
1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

Wendy H. Greenspoon-Soer LSO#34698L
wgreenspoon@garfinkle.com
Tel: 416-869-1234

Lawyers for the Receiver, Albert Gelman Inc.

File Number: 7923-004

RCP-F 4C (September 1, 2020)

E277

APPENDIX D

Court File No.: CV-23-00701877-00CL

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

THE TORONTO-DOMINION BANK

Plaintiff

- and -

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., AND JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

**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 October 10, 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 Images Life Media Inc. ("**Images**") and 2531509 Ontario Inc. ("**253Co.**" and, together with Images., the "**Companies**") by Order of the Ontario Superior Court of Justice, Commercial List (the "**Court**"), dated July 18, 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 The Toronto-Dominion Bank ("**TD Bank**"). A copy of the Appointment Order along with the endorsement of Justice Steele made July 18, 2023 (the "**Endorsement**") is attached hereto as **Appendix "A"**.

II. PURPOSE OF THIS REPORT

2. This First Report is filed to:

- a. report on the Receiver's activities in these receivership proceedings since the date of the Appointment Order;
- b. request an Order, among other things:
 - i. authorizing the Receiver to assign Images and 253Co. into bankruptcy;
 - ii. approving this First Report and the actions and activities of the Receiver described herein including the Receiver's interim statement of receipts and disbursements as of October 10, 2023 (the "**Interim SRD**");
 - iii. approving the fees and disbursements of the Receiver and its legal counsel, Garfinkle Biderman LLP ("**Garfinkle Biderman**") as outlined herein and detailed in the supporting fee affidavits appended hereto; and,
 - iv. such further and other relief as this Honourable Court may deem just.

III. SCOPE AND TERMS OF REFERENCE

3. In preparing this First Report, the Receiver has obtained and relied upon certain unaudited financial information and records of the Companies and had discussions with the Companies' former external accountants. In addition, the Receiver has had ongoing discussions with representatives of TD Bank and their legal counsel and relied on certain loan information provided by them.

4. 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.

5. 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.

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

7. 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

8. Images was incorporated federally in Canada on August 24, 2011. Pursuant to a corporate profile report obtained by the Receiver, which was generated on April 6, 2023, Paul Henriques ("**Henriques**") is the sole Director of Images.

9. 253Co. was incorporated in Ontario on August 10, 2016. Pursuant to a corporate profile report obtained by the Receiver, which was generated on April 6, 2023, Henriques and Hailey Henriques are both Directors of 253Co. Henriques is listed as the President, Secretary and Treasurer. There are no other Officers listed.

10. Images' business is in videography, filmmaking, photography, editing and post-production services in relation to weddings and special events. Images operates from its premises located at 113-115 Walnut Avenue, Toronto, Ontario (the "**Walnut Property**"). The business of Images was managed by Henriques.

11. 253Co. is a holding company which owns the Walnut Property. The Walnut Property is a two-story building located in downtown Toronto, Ontario with a commercial unit on the first floor and residential units in the basement and second floor. The first floor commercial unit was occupied by Images. A residential tenant occupies the basement unit on a month-to-month basis. The second story residential unit was occupied but was vacated shortly after the Receiver was appointed. An individual was occupying the first floor commercial unit as a temporary residence, however, the Receiver and the occupant entered into an agreement whereby the occupant has agreed to vacate by October 31, 2023. Further details regarding this agreement are described below.

12. Further details about the Companies and the events leading up to the appointment of the Receiver can be found in the affidavit of Abner Penning, account manager, Commercial Credit with the Financial Restructuring Group of TD Bank (the "**TD Bank Representative**"), sworn June 28, 2023, which was filed in support of TD Bank's application.

V. ACTIONS AND ACTIVITIES OF THE RECEIVER

13. Since the date of the Appointment Order the Receiver undertook, among other things, the following actions and activities:

Walnut Property

- a. took possession of the Walnut Property on July 19, 2023;
- b. retained a Lockit Key & Security Inc. ("**Lockit**") to change certain locks in and to the building on July 19, 2023;
- c. registered the Appointment Order on title to the Walnut Property;

- d. inspected the Walnut Property and took pictures and videos of the exterior and vacant first floor commercial unit and second floor residential unit;
- e. arranged for ongoing utility services;
- f. met with Franc Natale ("**Natale**"), the residential basement unit tenant, and made arrangements for him to continue making monthly rental payments directly to the Receiver. There was no lease agreement between 253Co and Natale. Natale advised the Receiver that his tenancy is on a month-to-month basis. Natale is paying \$2,400 each month to the Receiver;
- g. met with Anthony Saleh ("**Saleh**"), a former contractor of Images who was residing in the main floor commercial unit. Details of the Receiver interactions with Saleh are as follows:
 - i. the Receiver understands that Saleh worked for Images and in exchange for his services he was allowed to live at the Walnut Property. The Receiver and Saleh initially came to an agreement that Saleh would vacate the Walnut Property within 3 days of the Receiver taking possession. The Receiver provided Saleh with a key to the Walnut Property which was to be returned when Saleh vacated;
 - ii. approximately two days later Saleh informed the Receiver that he would not be vacating the unit as he could not find other living arrangements. Accordingly, on July 26, 2023 the Receiver and Saleh entered into an occupancy agreement (the "**July 26 Agreement**") that provided, among other things, that Saleh would vacate the premises on or before August 15, 2023;
 - iii. on August 11, 2023 Saleh contacted the Receiver's counsel to advise that despite signing the July 26 Agreement he would not be moving out of the unit as he did not understand his rights when he signed the July 26 Agreement. Saleh indicated to the Receiver he requested a decision of the Landlord and Tenant Board ("**LTB**") as to whether or not the *Residential Tenancies Act* (Ontario) would apply to a commercial property;
 - iv. The Receiver and Saleh then entered into an amended occupancy agreement dated August 29, 2023 (the "**August 29 Agreement**") which provided that, among other things, Saleh would vacate the premises on or before October 31, 2023 and would consent to an Order and Writ of Possession (the "**Consent Order**") if he failed to vacate by that date. Saleh obtained independent legal advice in connection with the execution of the August 29 Agreement and the Consent Order. He subsequently withdrew his application to the LTB. As of the date of this First Report, Saleh continues to occupy the main floor commercial unit of the Walnut Property.

- v. Attached hereto as **Appendix “B”** are copies of the July 26 Agreement and August 29 Agreement.
- h. retained Tracey Smith, AACI, certified appraiser, to prepare an appraisal of the Walnut Property;
- i. reviewed the existing insurance policy and contacted the insurance broker. The insurance broker advised the Receiver that the insurance policy was cancelled in or around May 2023 for non-payment. As a result, the Receiver obtained property and liability insurance coverage from its insurance broker, Firstbrook Cassie & Anderson Ltd.;
- j. retained Lockit to attend and inspect the Walnut Property at least twice per week, in accordance with insurance requirements, in order to perform maintenance checks and walkthroughs;
- k. removed several apple computers from the Walnut Property and relocated them to a local appraiser / liquidator for safekeeping. The Receiver’s counsel wrote to the lessor of the equipment, Wells Fargo, and requested their security documents. The Receiver plans to continue to store the computers until such time as it obtains the login credentials from Henriques in order to confirm if there is any data on the computers which it requires for the Receivership administration;
- l. advised the City of Toronto of the Receiver’s appointment and requested current property tax certificates which is subsequently received;
- m. entered into a listing agreement with Lennard Commercial Realty Brokerage on September 12, 2023 for the purposes listing the Walnut Property for sale. The Walnut Property was publicly listed on the Multiple Listing Service for \$2,475,000. On September 26, 2023 the Receiver accepted an offer (the **“Offer”**) which is conditional upon the buyer obtaining financing and undertaking further due diligence. As of the date of this First Report the Offer remains subject to the conditions set out above. The Receiver will provide further details to the Court at a later date regarding the entirety of the process to list and sell the Walnut Property;
- n. corresponded with Martin Robertson, counsel to Olympia Trust Company (**“Olympia”**), regarding a mortgage registered by Olympia on title to the Walnut Property;
- o. engaged the law firm Fogler Rubinoff LLP to provide an independent legal opinion on the validity and enforceability of the security of the TD Bank in respect of both Companies assets

and of Olympia Trust Company in respect of its mortgage registered on the Walnut Property (the “**Security Opinion**”).

Images

- p. obtained copies of the Companies historical financial statements and conducted a review of same;
- q. contacted Images’ external accountant, Michael Lopez (“**Lopez**”), requesting copies of certain accounting documents and information. Lopez provided the Receiver with certain financial statements and T2 corporate income tax returns for those years that he acted as Images external accountant. In order to obtain further information regarding the Companies assets and liabilities the Receiver interviewed Lopez, with its counsel and Lopez’s counsel present, on October 5, 2023. During the Receiver’s interview of Lopez he advised that he did not have any additional documents or information related to the Companies other than what he had previously provided. Subsequent to the interview Lopez provided the Receiver with an affidavit swearing same under oath. Attached hereto as **Appendix “C”** is a copy of Lopez’s affidavit;
- r. As set out above, the Receiver secured for safekeeping several Apple desktop computers which were located at the Walnut Property. The Receiver contacted Apple Canada Inc. (“**Apple**”) on July 20, 2023, through its counsel, in accordance with Section 18 of the *Personal Property Security Act*, to request that it provide copies of security documents and statements of account, if any, with Images. The Receiver received the security documents and is in the process of reviewing same;

Other Actions of the Receiver

- s. attempted (by email on July 19, 2023 and July 21, 2023) to contact Henriques to discuss various matters related to the Receivership administration. As of the date of this First Report Henriques has not responded to the Receiver;
- t. retained Garfinkle Biderman to act as the Receiver’s independent legal counsel;
- u. arranged for the mail of both Images and 253Co. to be forwarded to the office of the Receiver;
- v. prepared and issued the prescribed notices (together, the “**Receiver’s Notices**”) pursuant to Section 245(1) and 246(1) of the BIA on July 28, 2023. Copies of the Receiver’s Notices are attached hereto as **Appendix “D”**. To date the Receiver has not yet received cooperation from Henriques and, as a result, does not have a listing of the Companies’ creditors. As such, the Receiver has sent notice of the Receivership to those creditors who it was aware of at this time.

- w. contacted the CRA to confirm the amounts owing by the Companies for all CRA accounts. A summary of the amounts owing to CRA are set out below.
 - i. Images: CRA has submitted claims indicating approximately \$55,000 owing in relation to unremitted source deductions and \$105,000 relating to unremitted HST. CRA noted outstanding filings from 2017 to 2023;
 - ii. 253Co: CRA has submitted a claim for approximately \$55,000 in relation to unremitted HST. CRA noted outstanding filings from 2018 to 2021;
 - iii. The Receiver is unaware of the location of the Companies books and records and accordingly cannot prepare and submit the outstanding returns to the CRA;
- x. provided regular updates to the TD Bank Representative regarding the administration of the receivership;
- y. in accordance with paragraph 25 of the Appointment Order, established the Case Website which the Receiver maintains and populates; and,
- z. responded to the enquiries from various creditors and other stakeholders.

VI. HENRIQUES' LACK OF CO-OPERATION

14. As noted above the Receiver attempted to contact Henriques by email on July 19, 2023 and July 21, 2023. As of the date of this First Report Henriques has not responded to the Receiver. Henriques has also not provided the information requested by the Receiver's counsel included in letters sent to Henriques counsel on July 26, 2023 and on August 24, 2023.

15. It is critical to the receivership administration that the Receiver obtain certain documents and information from Henriques in order for the Receiver to properly complete its mandate.

16. At the request of the Receiver, a case conference was held on September 20, 2023 to schedule a motion for an order authorizing the Receiver to examine both Henriques and Lopez under oath regarding the assets and liabilities of the Companies. A copy of the endorsement of Justice Cavanagh made September 20, 2023 is attached hereto as **Appendix "E"**.

17. As noted above, Lopez consented to an interview with the Receiver and its counsel which took place on October 5, 2023. The Receiver, therefore, is no longer requesting authorization to examine Lopez under oath.

18. The Receiver is also no longer requesting authorization to examine Henriques under oath. If this Honourable Court grants an Order authorizing the Receiver to assign the Companies into bankruptcy and for AGI to act as Trustee in bankruptcy (the "**Trustee**") of the bankruptcy estate, AGI, in its capacity as Trustee

and with creditor or Inspector approval, will utilize the provisions of the BIA which allow a Trustee to require Henriques to submit to examination.

VII. ASSETS AND LIABILITIES

Assets

Images

19. According to Images' fiscal year ended January 31, 2022 financial statements (the most recent financial information available to the Receiver) the material assets of Images were accounts receivable, inventory, an Ontario interactive tax credit and property, plant and equipment. In order for the Receiver to properly understand the nature and realizable value of these assets it requires additional information from Henriques.

20. The Receiver has reviewed the financial statements prepared for Images for the fiscal year ended January 31, 2021 which were prepared and provided to the Receiver by Sadik Najarali, Images former external accountant. The Receiver has also reviewed the T2 corporate income tax return for Images for the fiscal year ended January 31, 2022 which was prepared and provided to the Receiver by Lopez.

21. Based upon the Receiver's review of the balance sheets of Images for 2021 and 2022 (which form part of the documents noted above) the financial records indicate that equipment, with a cost value of approximately \$1 million (the "**Equipment**"), was purchased by Images at some point during the period February 1, 2021 and January 31, 2022. The book value of the equipment as at January 31, 2022 is \$2,511,775.

22. During the Receiver's discussions with Lopez he advised that he has no information regarding the purchase of the Equipment during this time period because it was not provided to him by Henriques and he did not request it from Henriques.

23. Upon the Receiver taking possession and control of Images' Premises on July 19, 2023 it was not able to locate any equipment, of any material value, at the Premises. In order to investigate the existence and whereabouts of the Equipment the Receiver requires additional information from Henriques which has not been provided by him to date.

24. Unless and until the Receiver is able to locate the Equipment to ascertain its value and/or realize on the other assets recorded on the July 31, 2022 financial statement (for which the Receiver has no information or records) the Receiver anticipates that there will be no realizations from its administration of Images. As a result, Images is insolvent.

253Co.

25. Based on the Receiver's review of 253Co.'s fiscal year ended December 31, 2020 financial statements (the most recent financial information available to the Receiver) the only material realizable asset of 253Co. is the Walnut Property.

Secured Liabilities

Mortgages over Walnut Property

26. 253Co. granted the following charges on the Walnut Property:
- a. a first charge in favour of TD Bank in the amount of \$3,250,000; and
 - b. a second charge in favour of Olympia in the amount of \$106,000.

PPSA Security

27. Pursuant to a Personal Property Security Act ("**PPSA**") search conducted by the Receiver on September 22, 2023 (file currency: September 21, 2023) the following creditors registered financing statement under the PPSA with respect to Images: Apple and TD Bank. Images is indebted to the TD Bank in the amount of \$909,338 plus accruing interest as of October 5, 2023. The Receiver will report further on these registrations in its next report to the Court.

28. Pursuant to a PPSA search conducted by the Receiver on September 22, 2023 (file currency: September 21, 2023) the TD Bank is the only creditor to have registered a financing statement with respect to 253Co. 253Co. is indebted to the TD Bank in the amount of \$3,020,170 plus accruing interest as of October 5, 2023.

29. As noted above, the Receiver has retained Fogler Rubinoff LLP to prepare the Security Opinion. Fogler Rubinoff LLP has advised the Receiver that TD Bank's security is valid, enforceable and in first position.

Realty Taxes

30. The Receiver received a tax certificate from the City of Toronto dated September 28, 2023 which indicates that there are unpaid property tax arrears of \$31,542.16.

Canada Revenue Agency

31. Amounts owing to the CRA are set out above. These amounts are subject to change once the filings are brought up to date. The Receiver requires the books and records of the Companies to ascertain the actual amounts owing by the Companies to the CRA. Henriques has not provided the Receiver with the location of the Companies books and records nor has he provided any other information requested by the Receiver to complete the outstanding tax filings.

Unsecured Liabilities

the *Bankruptcy and Insolvency Act* (Canada) and so that the necessary examinations under oath can be conducted.

38. The Appointment Order provides that nothing in the Appointment Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Companies. There will be efficiencies to appoint AGI as bankruptcy trustee in the circumstances. AGI is a Licensed Insolvency Trustee.

X. FUNDING OF THE RECEIVERSHIP

39. In accordance with paragraph 21 of the Appointment Order, the Receiver is at liberty and empowered to borrow by way of revolving credit facilities or otherwise such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal does not exceed \$200,000. Any such borrowings are to be secured by way of the Receiver's Borrowings Charge (as defined in the Appointment Order). The Receiver's Borrowings Charge ranks ahead of all other interests in favour of any other Person other than Receiver's Charge (as defined in the Appointment Order).

40. As of the date of this First Report, the Receiver has borrowed \$200,000 from TD Bank under a Receiver's Certificate (as defined in the Appointment Order) to fund certain costs and expenses of the receivership administration. Attached hereto as **Appendix "F"** are copies of the Receiver's Certificates issued to TD Bank dated July 27, 2023 and September 28, 2023.

XI. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

41. Attached hereto at **Appendix "G"** is the Receiver's interim statement of receipts and disbursements as at October 10, 2023 (defined above as the Interim SRD).

XII. RECEIVER'S AND ITS COUNSEL'S ACCOUNTS

42. The fees of the Receiver for the period to October 9, 2023 are detailed in the affidavit of Bryan Gelman sworn October 10, 2023, a copy of which is attached as **Appendix "H"**.

43. The Receiver's fees encompass 163.8 hours at an average hourly rate of approximately \$411 for a total of \$67,358.50 and applicable taxes. The Receiver is therefore requesting that this Court approve total fees inclusive of applicable taxes in the amount of \$76,115.11.

44. The fees and disbursements of Garfinkle Biderman for the period from Juny 29 to October 8,2 023 are detailed in the affidavit of Alex Hora affirmed October 10, 2023, a copy of which is attached as **Appendix "I"**.

45. Garfinkle Biderman's fees encompass 43.5 hours at an average hourly rate of approximately \$674 for total fees of \$29,298.50 and accounts totalling \$33,605.01 inclusive of disbursements and applicable taxes. The Receiver is therefore requesting that this Court approve Garfinkle Biderman's total fees and disbursements inclusive of applicable taxes in the amount of \$33,605.01.


46. The Receiver is of the view that the hourly rates charged by Garfinkle Biderman 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.

XIII. RECEIVER'S CONCLUSION AND RECOMMENDATION

47. The Receiver respectfully requests an Order of this Honourable Court providing for the relief set out in paragraph 2 of this First Report.

All of which is respectfully submitted this 10th 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:  Digitally signed
by Bryan
Gelman

Bryan Gelman, *CIRP, LIT*

APPENDIX E

Court File No.: CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE TORONTO-DOMINION BANK

Plaintiff

- and -

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., AND JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES

Defendants

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

SUPPLEMENTARY REPORT TO THE FIRST REPORT OF THE RECEIVER

(Dated October 27, 2023)

I. INTRODUCTION

1. This supplementary report (“Supplementary Report”) to the Receiver’s first report to Court dated October 10, 2023 (the “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 Images Life Media Inc. (“Images”) and 2531509 Ontario Inc. (“253Co.” and, together with Images., the “Companies”) by Order of the Ontario Superior Court of Justice, Commercial List (the “Court”), dated July 18, 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 The Toronto-Dominion Bank (“TD Bank”). A copy of the Appointment Order along with the

endorsement of Justice Steele made July 18, 2023 (the “Endorsement”) is attached hereto as Appendix “A”.

II. PURPOSE OF THIS REPORT

2. This Supplementary Report is filed to request an Order, among other things:

- a. approving and authorizing the Receiver to enter into and carry out the terms of the sale **transaction (the “Transaction”) contemplated by an Agreement of Purchase and Sale dated October 18, 2023 together with any further amendments thereto deemed necessary by the Receiver in its sole discretion (the “Purchase Agreement”), entered into between the Receiver, as seller, and Nikesh Rai, in trust for a corporation to be named (the “Purchaser”), as purchaser, and vesting in the Purchaser, 253Co.’s right, title and interest in and to the real property municipally known as 113-115 Walnut Avenue, Toronto, Ontario and legally described as PT LT 4-5 PL D227 TORONTO AS IN CT378711; CITY OF TORONTO (PIN 21241 - 0192 LT) (the “Walnut Property”) free and clear of all encumbrances pursuant to an approval and vesting order (the “AVO”) 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.**
- b. sealing the unredacted versions of the Purchase Agreement, the Appraisal (defined below) as well as the summary of offers received for the Walnut Property until closing of the respective transactions;
- c. approving the Interim Distributions (defined below); and,
- d. such further and other relief as this Honourable Court may deem just.

III. SCOPE AND TERMS OF REFERENCE

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

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

5. This Supplementary 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. MORTGAGE SECURITY

6. As set out in the First Report, 253Co. is indebted to TD Bank in the amount of \$3,020,170 plus accruing interest as of October 5, 2023 in respect of mortgage registered against title to the Walnut Property (the “TD Mortgage”). **The Receiver’s independent legal counsel, Fogler, Rubinoff LLP, has provided the**

Receiver with a legal opinion confirming that the TD Mortgage is valid, enforceable and the first mortgage on title of the Walnut Property.

7. Olympia Trust Company (“Olympia”) also registered a mortgage against title to the Walnut Property in the principal amount of \$106,000.00 on August 11, 2022 (the “Olympia Mortgage”). Olympia holds the Olympia Mortgage in trust for Hannah Smith. **The Receiver’s independent legal counsel**, Fogler, Rubinoff LLP has provided the Receiver with a legal opinion confirming that Olympia Mortgage is valid and enforceable and that Olympia Mortgage is a second registered mortgage on title of the Walnut Property, after the first registered mortgage in favour TD Bank.

V. APPROVAL OF WALNUT PROPERTY SALE TO THE PURCHASER

8. As set out in the First Report, 253Co. is the owner of the Walnut Property.

9. The Receiver obtained a narrative appraisal report from TL Smith Appraisals which included a market value as of July 31, 2023 (the “Appraisal”). A copy of the Appraisal with the capitalization/discount rate and market value redacted is attached as **Appendix “B”**. An unredacted version of the appraisal is attached as **Confidential Appendix “A”**.

Sales Process

10. 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.

11. The Receiver entered into a listing agreement with Lennard Commercial Realty Brokerage (the “Realtor”) on September 12, 2023. On the same day the Walnut Property was publicly listed on the Multiple Listing Service for \$2,475,000. There was no formal offer date included with the listing.

12. The Realtor prepared a marketing package, a copy of which is attached hereto as **Appendix “C”**. The Realtor sent the marketing package to approximately 9 prospective buyers identified by the Realtor, received 21 inquires about the Walnut Property and conducted 9 tours of the Walnut Property.

13. The Receiver received 3 offers. Two of the offers were from the same prospective purchaser. **The Realtor’s summary of the offers received is attached at Confidential Appendix “B”**.

The Purchase Agreement

14. On October 18, 2023 the Receiver received **an offer (the “Offer”) from the Purchaser** which did not include any conditions. The receiver negotiated the Offer with the Purchaser to increase the Offer price. The renegotiated Offer (which included a higher purchase price) was accepted by the Receiver on October 18, 2023. The Purchaser paid a total deposit of \$116,250 which is currently held in trust by the Realtor. The only remaining condition under the Purchase Agreement is obtaining AVO.

15. The Offer was the best offer received in terms of price and perceived execution risk vis-a-vis the applicable conditions and willingness and ability of a purchaser to close. A copy of the Purchase Agreement, with the purchase price redacted, is attached as **Appendix “D”**. An unredacted copy of the Purchase Agreement is attached as Confidential Appendix **“C”**.

16. The Receiver recommends the approval of the Purchase Agreement and the Transaction for the following reasons:

- a. the Walnut Property was exposed to the market for 36 days **which, in the Receiver’s opinion,** provided adequate market exposure;
- b. the purchase price is fair market value given the Appraisal and exposure to market;
- c. the Transaction is the best offer with the fewest conditions that the Receiver received;
- d. the Purchaser has provided a non-refundable deposit to the Receiver in the amount of \$116,250;
- e. the Purchaser Agreement contemplates that the Purchaser shall purchase the Walnut Property **on an “as is, where is” basis and that the Receiver is providing no representations or warranties** in respect of the Walnut Property;
- f. the Receiver is satisfied that the Purchaser is willing and able to close and the Receiver anticipates closing the Transaction within 5 business days of an AVO being issued. The short closing time reduces the inherent risks and costs associated with the Receiver remaining in possession and control of the Walnut Property; and,
- g. the Transaction allows the monetization of the Walnut Property in accordance with the purpose of the receivership process.

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

18. The sale proceeds generated from the Transaction are expected to result in a partial payout of the TD Mortgage resulting in TD Bank suffering a shortfall. Representatives of TD Bank have advised the Receiver that they consent to the Transaction.

19. Accordingly, the Receiver recommends that this Court: (i) approve the Transaction as contemplated by the Purchase Agreement; (ii) authorize completion of the Transaction; and (iii) grant the AVO.

VI. **RECEIVER’S PROPOSED DISTRIBUTION**

20. The Receiver proposes the following distribution of the sale proceeds generated from the Transaction **(the “Interim Distributions”)**:

- a. payment of the amount due on closing for any realty taxes owing to the City of Toronto 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, Garfinkle Biderman LLP and Fogler, Rubinoff LLP, as approved by this Court;
- c. payment of the TD Mortgage up to the amount of the total indebtedness owing to TD Bank in respect of the TD Mortgage, subject to sufficient funds being available to do so in full or in part;

21. Given that TD Bank will suffer a shortfall in respect of the TD Mortgage, there will be no distribution to Olympia in respect of the Olympia Mortgage.

VII. **RECEIVER'S** CONCLUSION AND RECOMMENDATION

22. The Receiver respectfully requests an Order of this Honourable Court providing for the relief set out in paragraph 2 of this Supplementary Report.

All of which is respectfully submitted this 27th day of October 2023

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

Per:



Tom McElroy, CIRP, LIT

APPENDIX F



Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "Court") dated July 18, 2023, Albert Gelman inc. ("AGI") was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Images Life Media Inc. and 2531509 Ontario Inc. ("253Co.").

B. Pursuant to an Order of the Court dated November 23, 2023, the Court approved the agreement of purchase and sale made as of October 18, 2023 (the "Sale Agreement") between the Receiver and Nikhil Rai (the "Purchaser") and provided for the vesting in the Purchaser of the 253Co. 's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

- 2 -

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at 4:27 p.m. on January 12, 2024.

ALBERT GELMAN INC., solely in its capacity as Receiver of all of the undertakings, property and assets of 2531509 Ontario Inc. and not in its personal capacity

Per:  Digitally signed
by Bryan
Gelman

Name: Bryan Gelman

Title: President

I have the authority to bind the corporation

Electronically issued / Délivré par voie électronique : 15-Jan-2024
Toronto Superior Court of Justice / Cour supérieure de justice

THE TORONTO-DOMINION BANK

Plaintiff and

IMAGES LIFE MEDIA INC., et al.
Defendants

Court File No./N° du dossier du greffe : CV-23-00701877-00CL

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

RECEIVER'S CERTIFICATE

GARFINKLE BIDERMAN LLP

Barristers & Solicitors
1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

Wendy H. Greenspoon-Soer LSO#34698L
wgreenspoon@garfinkle.com
Tel: 416-869-1234

Lawyers for the Receiver, Albert Gelman Inc.

File Number: 7923-004

APPENDIX G



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: Ontario
Division No.: 09 - Toronto
Court No.: 31-3018740
Estate No.: 31-3018740

In the Matter of the Bankruptcy of:

Images Life Media Inc.

Debtor

ALBERT GELMAN INC.

Licensed Insolvency Trustee

Ordinary Administration

Date and time of bankruptcy:	December 06, 2023, 15:48	Security:	\$0.00
Date of trustee appointment:	December 06, 2023		
Meeting of creditors:	December 20, 2023, 13:00 Via Microsoft Teams Meeting ID: 219 462 413 548 Passcode: eVCMUf, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: December 06, 2023, 16:05

E-File/Dépôt Electronique

Official Receiver

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

Canada

APPENDIX H

In the Matter of the Receivership of Images Life Media Inc. and 2531509 Ontario Inc.
Receiver's Final Statement of Receipts and Disbursements
As at April 16, 2024

Receipts

Proceeds from sale of Walnut Property	\$	2,400,000	
Rental income		14,400	
Interest income		4,341	
Miscellaneous income		3,390	
		<u>2,422,131</u>	A

Disbursements

Distribution to Secured Creditor - TD Bank		1,813,978	
Receiver's Fees to April 11, 2024		108,666	
Realtor commission		102,000	
Legal fees of Garfinkel Biderman LLP to April 15, 2024		76,215	
HST charged on disbursements		39,685	
Property taxes		30,299	
Insurance		30,269	
Repairs and maintenance		8,269	
Appraisal fee		4,750	
Legal fees of Fogler, Rubinoff LLP		4,631	
Utilities		2,697	
Filing and license fees		400	
Legal fees paid by Receiver of behalf of tenant		350	
Travel expense		277	
Miscellaneous expenses		111	
		<u>2,222,597</u>	B

Actual net receipts over disbursements \$ 199,534 **C = A - B**

Less: Estimated accruals to complete mandate

Receiver's fees (incl. HST)	\$	16,950	
Legal fees of Garfinkel Biderman LLP (incl. HST)		5,650	
Administrative disbursements (incl. HST)		2,825	
	\$	<u>25,425</u>	D

Estimated distribution to secured creditor - TD Bank \$ 174,109 **C - D**

APPENDIX I

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE TORONTO-DOMINION BANK

Plaintiff

- and -

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., AND JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES

Defendants

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 AFFIDAVIT OF FEES

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

1. I am a Licenced Insolvency Trustee and principal of **Albert Gelman Inc.** ("Receiver"), Receiver of Images Life Media Inc. and 2531509 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 November 24, 2023 for the from October 4, 2023 to November 24, 2023 of \$22,512.50, plus HST thereon;
 - b. An account dated December 31, 2023 for the from November 27, 2023 to December 31, 2023 of \$7,645.50, plus HST thereon;
 - c. An account dated January 31, 2024 for the from January 1 to 31, 2024 of \$5,015.00, plus HST thereon;
 - d. An account dated February 29, 2024 for the from February 1 to 29, 2024 of \$2,147.00, plus HST thereon; and,

e. An account dated April 11, 2024 for the from March 1 to April 10, 2024, 2024 of \$3,987.00, plus HST thereon.

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

Staff member	Position	Hours worked	Hourly rate (\$)	Total (\$)
Bryan Gelman, CIRP, LIT	Principal	25.8	450 to 470	11,616.00
Tom McElroy, CPA, CA, CBV, CIRP, LIT	Director	38.5	450 to 470	17,527.00
Ianina Raguimov, LIT, CIRP	Associate	18.7	395 to 470	7,784.00
Suzette Warner, CFE, CPA, CGA, FCCA	Associate	3.2	395	1,264.00
Mahmood Shafique	Associate	7.5	350	2,625.00
Ashely Robinson	Estate Administrator	0.2	305	61.00
Ivy Chen	Estate Administrator	1.0	305	305.00
Daphna Cherniak	Estate Administrator	0.5	250	125.00
		<u>95.4</u>	<u>432.99</u>	<u>41,307.00</u>

4. The **Receiver's** total fees are \$41,307.00, its total hours spent is 95.4 and, therefore, its average hourly rate is calculated to be \$432.99.
5. The **Receiver's** accounts, including detailed time docket, 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 Bryan Gelman at Toronto, Ontario
 before me at Toronto, Ontario in accordance with
 O. Reg. 431/20, Administering Oath or Declaration
 Remotely, the 15th day of April 2024

}
 }
 }
 } _____
 Bryan Gelman

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

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Nov 24, 2023
Invoice No: 6713
Billing Through: Nov 24, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-10-04	IRAGUIMOV	Call with realtor; reviewed utilities invoices; sent to realtor; sent for payment	0.80	\$395.00	\$316.00
2023-10-10	TMCELROY	Finalize Receiver's affidavit; Finalize interim SRD; Review B. Gelman comments to First Report; Further amendments to First Report and finalize First Report; Correspondence with legal counsel; Review draft notice of motion and draft Order and comments to counsel re same; Call with counsel to discuss motion and materials; Review Fogler security opinion;	5.80	\$450.00	\$2,610.00
2023-10-10	BGELMAN	Review of payout details and unsecured schedule for TD bank; comments to same; Review and comments to update report to Court; Continued review of changes to report and calls with Tom McElroy re next steps; finalize report to Court;	2.30	\$450.00	\$1,035.00
2023-10-12	TMCELROY	Update Case Website;	0.30	\$450.00	\$135.00
2023-10-12	BGELMAN	Review of emails from Vern DaRe re security opinion on Olympia;	0.20	\$450.00	\$90.00
2023-10-16	BGELMAN	Receive and review update email from realtor re negotiation by purchaser;	0.10	\$450.00	\$45.00
2023-10-17	BGELMAN	Review of update email from Realtor re come back from potential purchaser; review of comments from counsel; call with realtor to discuss; Call with counsel re real property designations; Call with Katie Furfuro re update on sales process and prospective purchaser position;	1.10	\$450.00	\$495.00
2023-10-18	BGELMAN	Review of revised offer from purchaser; calls with Michael Zeldin re counter offer; conference call with Michael Zeldin and Wendy Greenspoon re counter offer; review and approval of wording; reporting to TD bank re next steps for sale of Walnut property;	1.50	\$450.00	\$675.00
2023-10-19	BGELMAN	Review and approval of revised APS including details re basement tenant; Call from Rachel Moses re update;	0.50	\$450.00	\$225.00
2023-10-20	BGELMAN	Update call with Wendy Greenspoon to plan for next steps in relation to closing of sale and court approval; Attend meeting with Mahmood and Suzette re bank statement review; consider next steps in relation to supplementary report to Court seeking approval of sale of Walnut Property; call with Michael Zeldin re process and timing of same; instructions to staff re prep of Supplementary report;	1.70	\$450.00	\$765.00

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Nov 24, 2023
Invoice No: 6713
Billing Through: Nov 24, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

2023-10-20	SWARNER	meeting with B Gelman and Mahmood to discuss bank statement analysis ; further instructions to Mahmood regarding format for analysis	0.90	\$395.00	\$355.50
2023-10-20	MSHAFIQUE	Discussed the file with B. Gelman and S. Warner for direction; Reviewed Bank transactions and cheques;	3.00	\$350.00	\$1,050.00
2023-10-23	MSHAFIQUE	Reviewed bank transactions with S. Warner;	1.30	\$350.00	\$455.00
2023-10-23	SWARNER	Reviewed bank statement analysis and instructions to Mahmood S.	0.80	\$395.00	\$316.00
2023-10-24	TMCELROY	Draft supplementary report to Court; Emails to realtor;	5.00	\$450.00	\$2,250.00
2023-10-24	MSHAFIQUE	Review transaction reviews and discuss with SW;	3.00	\$350.00	\$1,050.00
2023-10-24	SWARNER	Reviewed image life banking transactions and prepared analysis; meeting with Mahmood S. to discuss banking data	1.50	\$395.00	\$592.50
2023-10-25	TMCELROY	Review of documents and information provided by realtor re listing and sales process; Update Supplementary Report; Email to realtor;	1.20	\$450.00	\$540.00
2023-10-25	BGELMAN	Review of draft report to Court and call with Tom McElroy re same; Review of draft order and notice of motion and call with Wendy Greenspoon re same;	1.00	\$450.00	\$450.00
2023-10-26	AROBINSON	Prepared September 2023 bank rec	0.10	\$305.00	\$30.50
2023-10-26	TMCELROY	Finalize draft version of supplementary report and send to B. Gelman for comments; Review of draft notice of motion and comments to W. Greenspoon re same;	1.40	\$450.00	\$630.00
2023-10-26	MSHAFIQUE	Discussed transactions with S. Warner;	0.20	\$350.00	\$70.00
2023-10-26	BGELMAN	Call with Wendy Greenspoon re notice of motion and draft order;	0.20	\$450.00	\$90.00
2023-10-27	TMCELROY	Amend Supplementary Report; Review revised notice of motion and comments to counsel re same; Review draft AVO and draft ancillary Order and comments to counsel re same; Assemble appendices; Redact confidential appendices; Emails to/from counsel;	3.50	\$450.00	\$1,575.00
2023-10-30	TMCELROY	Discuss supplementary report with B. Gelman; Amended, finalize and sign report; Email to counsel; Update case website;	1.10	\$450.00	\$495.00
2023-10-30	BGELMAN	Update call with Tom McElroy re final modifications for report to Court;	0.20	\$450.00	\$90.00
2023-10-30	IRAGUIMOV	Communication with counsel; call with property management re changing of locks and inspection	0.40	\$395.00	\$158.00
2023-10-31	IRAGUIMOV	Call with Rocco re change of locks, inspection and clean up of the main floor unit; Communication with counsel re same; communication with Rocco re entry arrangements	0.30	\$395.00	\$118.50

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Nov 24, 2023
Invoice No: 6713
Billing Through: Nov 24, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-11-01	BGELMAN	Review and approval of September 30, 2023 bank reconciliation;	0.10	\$450.00	\$45.00
2023-11-02	BGELMAN	Review and approval of legal fee invoice;	0.10	\$450.00	\$45.00
2023-11-03	IRAGUIMOV	Communication with Rocco re change of locks; called tenant advising of new lock and procedure on how to obtain key; Correspondence with tenant re same; communication with Ivy re key arrangements; call with Rocco re key arrangements	0.80	\$395.00	\$316.00
2023-11-03	ICHEN	Attend property for lock change and pick-up new keys;	1.00	\$305.00	\$305.00
2023-11-06	IRAGUIMOV	Reviewed received invoices; sent to Daphna for payment	0.30	\$395.00	\$118.50
2023-11-07	IRAGUIMOV	Reviewed invoices; sent invoices for payment	0.10	\$395.00	\$39.50
2023-11-07	BGELMAN	Update on sale of property and timing of closing;	0.10	\$450.00	\$45.00
2023-11-08	BGELMAN	Review and changes to counsel factum;	0.30	\$450.00	\$135.00
2023-11-08	TMCELROY	Review draft factum prepared by counsel;	0.30	\$450.00	\$135.00
2023-11-08	IRAGUIMOV	Reviewed received invoices; communication with Rocco re invoices	0.20	\$395.00	\$79.00
2023-11-10	BGELMAN	Review and responses to email from Realtor re changes to closing date;	0.20	\$450.00	\$90.00
2023-11-13	BGELMAN	Respond to enquiry of liquidator re computers in storage;	0.10	\$450.00	\$45.00
2023-11-14	BGELMAN	Update call with Michael Zeldin re closing details for real property;	0.10	\$450.00	\$45.00
2023-11-17	BGELMAN	Review of email from counsel for Debtor; comments to counsel;	0.10	\$450.00	\$45.00
2023-11-20	BGELMAN	Call from Yehuda and Tracy re threats from Mr. Baker, counsel for Debtor;	0.30	\$450.00	\$135.00
2023-11-20	TMCELROY	Review and consider statement of defense and counter claim of Debtor; Review of October 2022 appraisal of property and compare to appraisal prepared for Receiver;	1.30	\$450.00	\$585.00
2023-11-20	IRAGUIMOV	Call with Rocco Tuzi;	0.20	\$395.00	\$79.00
2023-11-21	TMCELROY	Email to Wendy G. (counsel) re property appraisal prepared in October 2022;	0.40	\$450.00	\$180.00
2023-11-21	BGELMAN	Review of statement of claim and appraisals; review of comments from T. McElroy;	0.60	\$450.00	\$270.00
2023-11-23	BGELMAN	Prepare for hearing for approval of sale; attend hearing for receiver's motion to sell property; review and approval of waiver for sale of property;	2.80	\$450.00	\$1,260.00

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Nov 24, 2023
Invoice No: 6713
Billing Through: Nov 24, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-11-23	IRAGUIMOV	File review; communication with realtor re main floor occupant; communication with Rocco re main floor occupant and change of locks;	0.40	\$395.00	\$158.00
2023-11-23	AROBINSON	Prepared October 2023 bank rec	0.10	\$305.00	\$30.50
2023-11-23	TMCELROY	Prep for and attend court hearing; Debrief discussion with counsel, counsel for TD Bank and B. Gelman; Email to counsel; Review of Seller waiver of condition and comments to counsel re same; Call with counsel re same;	3.20	\$450.00	\$1,440.00
2023-11-24	TMCELROY	Review of Endorsement; Update case website;	0.40	\$450.00	\$180.00
Total Fees:					\$22,512.50
HST/GST:					\$2,926.63

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Ashley Robinson (Estate Administrator)	0.20	\$305.00	\$61.00
Bryan A. Gelman (Principal, CIRP LIT)	13.60	\$450.00	\$6,120.00
Ivy Chen (Associate)	1.00	\$305.00	\$305.00
Ianina Raguimov (LIT,CIRP)	3.50	\$395.00	\$1,382.50
Mahmood Shafique (Associate)	7.50	\$350.00	\$2,625.00
Suzette Warner (CFE, CPA, CGA, FCCA)	3.20	\$395.00	\$1,264.00
Tom McElroy (Director, CIRP LIT)	23.90	\$450.00	\$10,755.00

Disbursements:

SEARCH FEES:

PHOTOCOPIES:

POSTAGE:

SEARCH FEES:

Total Disbursements: _____

HST/GST:

Amount Due This Invoice: \$25,494.94

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Nov 24, 2023
Invoice No: 6713
Billing Through: Nov 24, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc.and 2531509 Ontario Inc., in Receivership

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$22,563.73
TOTAL HST/GST:	\$2,931.21
TOTAL AMOUNT DUE:	\$25,494.94

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

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Dec 31, 2023
Invoice No: 6933
Billing Through: Dec 31, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2023-11-27	BGELMAN	Instructions to Iana RaguiMOV re bankruptcy filings for Images and 2531509 Ontario Inc.; Review of court endorsement; Call from Real estate lawyer (Craig) re closing of sale transaction and responding email;	0.70	\$450.00	\$315.00
2023-11-27	IRAGUIMOV	Call with CRA re trust examination; file review with TM	0.40	\$395.00	\$158.00
2023-11-28	IRAGUIMOV	Communication with counsel re basement tenant; call with CRA re trust examination; communication with BG and TM re file update	0.70	\$395.00	\$276.50
2023-11-29	BGELMAN	Call with Realtor re request of buyer for extension; Call with Katie F at TD re delay in closing; Review of emails pertaining to extension of closing and review / approval of agreement for extension; emails with counsel and realtor re same; final review and execution of amending agreement;	1.30	\$450.00	\$585.00
2023-11-30	BGELMAN	Sign forms to cancel MLS listings;	0.20	\$450.00	\$90.00
2023-12-02	IRAGUIMOV	Reviewed order; worked on setting up bankruptcy file docs	2.10	\$395.00	\$829.50
2023-12-04	BGELMAN	Review and respond to Blair Mestel, real estate lawyer at Garfinkle, re closing documents; Call with Rama at Garfinkle Biderman re closing details and transfer of \$150k deposit to AGI trust; emails re same;	0.50	\$450.00	\$225.00
2023-12-04	IRAGUIMOV	Call with locksmith; call with realtor; communication with counsel; started setting up Images Life bankruptcy file in Ascend	3.30	\$395.00	\$1,303.50
2023-12-05	TMCELROY	Prepare bankruptcy filing documents for Images Life and 2531509 Ontario Inc.; Discuss same with B. Gelman;	3.00	\$450.00	\$1,350.00
2023-12-05	BGELMAN	Review of statement of affairs and comments to same for images and 253 bankruptcy;	0.40	\$450.00	\$180.00
2023-12-05	IRAGUIMOV	File set up for 253Co bankruptcy file as per Receivership order	2.60	\$395.00	\$1,027.00
2023-12-06	TMCELROY	Discuss bankruptcy filing documents with B. Gelman; Finalize and sign bankruptcy filing documents; E-file bankruptcy filing documents;	1.50	\$450.00	\$675.00
2023-12-06	BGELMAN	Sign bankruptcy documents for Images and 253;	0.20	\$450.00	\$90.00
2023-12-06	BGELMAN	Review and approval of October, 2023 bank reconciliation;	0.10	\$450.00	\$45.00
2023-12-12	BGELMAN	Update call with Michael Zeldin re closing; Respond to Michael Zeldin re FINTRAC details;	0.30	\$450.00	\$135.00
2023-12-13	IRAGUIMOV	Communication with utilities company; completed change of insurance form	0.80	\$395.00	\$316.00
2023-12-20	BGELMAN	Respond to email from counsel for TD bank;	0.10	\$450.00	\$45.00

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Dec 31, 2023
Invoice No: 6933
Billing Through: Dec 31, 2023
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Total Fees: \$7,645.50
HST/GST: \$993.92

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	3.80	\$450.00	\$1,710.00
Ianina Raguimov (CIRP, LIT)	9.90	\$395.00	\$3,910.50
Tom McElroy (Director, CIRP LIT)	4.50	\$450.00	\$2,025.00

Disbursements:

POSTAGE:

Total Disbursements:
HST/GST:
Amount Due This Invoice: **\$8,643.58**

<u>Invoice Summary:</u>	
TOTAL FEES AND DISBURSEMENTS:	\$7,649.18
TOTAL HST/GST:	\$994.40
TOTAL AMOUNT DUE:	\$8,643.58

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

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Jan 31, 2024
Invoice No: 6982
Billing Through: Jan 31, 2024
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-01-16	TMCELROY	Review of status of file and discuss next step with B. Gelman;	0.60	\$470.00	\$282.00
2024-01-16	BGELMAN	Conduct file review; email to W. Greenspoon re update on examination under oath and distribution to TD bank;	0.50	\$450.00	\$225.00
2024-01-17	BGELMAN	Review and respond to request from bank re large deposit; Call from Wendy Greenspoon re reimbursement agreement per order and request from Mr. Baker to respond to receiver's questions in writing vs. live; Review of letter from Baker;	0.60	\$450.00	\$270.00
2024-01-18	BGELMAN	Email to TD Bank representatives re reimbursement agreement; Review of reporting letter, statement of adjustments, trust ledger from counsel and back up document, and prepare/post journal entries to Ascend accounting system in order reconcile sale transaction; Call from Rachel Moses re reimbursement agreement; review of her changes, prepare final version, sign and send to bank;	2.30	\$450.00	\$1,035.00
2024-01-22	BGELMAN	Review and respond to a letter from CRA with instructions to Suzette Warner re request for records; Execute reimbursement agreement and initiate wire for \$2 million;	0.30	\$450.00	\$135.00
2024-01-23	TMCELROY	Review and approve wire payment;	0.10	\$470.00	\$47.00
2024-01-23	DCHERNIAK	Set up wire payment to secured creditor;	0.50	\$250.00	\$125.00
2024-01-25	TMCELROY	Prepare six month report; Prepare Interim SRD;	1.40	\$470.00	\$658.00
2024-01-25	BGELMAN	Review and respond to notice of examination and emails with counsel;	0.10	\$450.00	\$45.00
2024-01-26	BGELMAN	Review and approval of OSB six month Interim report and signing of same;	0.40	\$450.00	\$180.00
2024-01-26	TMCELROY	Assemble interim report; Instructions to A. Robinson re e-filing;	0.20	\$470.00	\$94.00
2024-01-29	BGELMAN	Respond to emails from Abner Pennings;	0.30	\$450.00	\$135.00
2024-01-29	IRAGUIMOV	Call with CRA re trust exam	0.80	\$470.00	\$376.00
2024-01-30	BGELMAN	Posting of journal entry as it relates to balances paid by Realtor on closing from deposit proceeds;	0.10	\$450.00	\$45.00
2024-01-30	IRAGUIMOV	Reviewed documents on file in preparation to CRA trust exam; prepared CRA trust audit package; met with CRA auditor; assisted CRA auditor with tax audit; reviewed requested information with CRA auditor; answered questions with CRA audit	2.90	\$470.00	\$1,363.00

Albert Gelman Inc. - 250 Ferrand Drive, Suite 403 Toronto, ON, M3C 3G8 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Jan 31, 2024
Invoice No: 6982
Billing Through: Jan 31, 2024
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Total Fees: \$5,015.00
HST/GST: \$651.95

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	4.60	\$450.00	\$2,070.00
Daphna Cherniak (Estate Administrator)	0.50	\$250.00	\$125.00
Ianina Raguimov (LIT, CIRP)	3.70	\$470.00	\$1,739.00
Tom McElroy (Director, CIRP LIT)	2.30	\$470.00	\$1,081.00

Disbursements:

POSTAGE:
SEARCH FEES:

Total Disbursements:
HST/GST:
Amount Due This Invoice: **\$5,709.73**

<u>Invoice Summary:</u>	
TOTAL FEES AND DISBURSEMENTS:	\$5,052.86
TOTAL HST/GST:	\$656.87
TOTAL AMOUNT DUE:	\$5,709.73

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

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Feb 29, 2024
Invoice No: 7000
Billing Through: Feb 29, 2024
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-02-02	BGELMAN	Review and approval of December 31, 2023 bank reconciliation;	0.10	\$450.00	\$45.00
2024-02-07	IRAGUIMOV	Call with Enbridge; call with Hydro; send final letter to Enbridge; sent final letter to Hydro	1.30	\$470.00	\$611.00
2024-02-08	IRAGUIMOV	Communication with utilities company	0.10	\$470.00	\$47.00
2024-02-12	IRAGUIMOV	Communication with utility company	0.20	\$470.00	\$94.00
2024-02-21	BGELMAN	Call with Wendy Greenspoon to prepare for examination of Director; Review of notes for questions to Director;	0.50	\$450.00	\$225.00
2024-02-22	BGELMAN	Prepare for and attend examination of John Henriques;	2.50	\$450.00	\$1,125.00
Total Fees:					\$2,147.00
HST/GST:					\$279.11

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	3.10	\$450.00	\$1,395.00
Ianina Raguimov (LIT,CIRP)	1.60	\$470.00	\$752.00
Amount Due This Invoice:			\$2,426.11

<u>Invoice Summary:</u>	
TOTAL FEES AND DISBURSEMENTS:	\$2,147.00
TOTAL HST/GST:	\$279.11
TOTAL AMOUNT DUE:	\$2,426.11

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

Invoice

Images Life Media Inc. and 2531509 Ontario Inc.
c/o Albert Gelman Inc., Receiver

Invoice Date: Apr 11, 2024
Invoice No: 7071
Billing Through: Apr 11, 2024
File ID: IMAGESLIFE-R:

Re: Images Life Media Inc. and 2531509 Ontario Inc., in Receivership

Professional Fees:

<u>Date</u>	<u>Employee</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
2024-03-10	BGELMAN	Review and approval of Bank Reconciliation for the month end January 31, 2024;	0.10	\$450.00	\$45.00
2024-03-25	BGELMAN	Attend teams call with Abner Pennings, Rachel Moses and Wendy Greenspoon;	0.30	\$450.00	\$135.00
2024-03-26	BGELMAN	Meeting with Tom McElroy re outline for report to Court; Review and approval of legal invoice;	0.30	\$470.00	\$141.00
2024-04-10	TMCELROY	Draft Receiver's Second Report to Court; Discuss content of report to Court with B. Gelman; Prepare final SRD; Prepare Trustee's affidavit; Email to A. Penning (TD Bank) re court hearing to seek discharge as Receiver;	7.80	\$470.00	\$3,666.00
Total Fees:					\$3,987.00
HST/GST:					\$518.31

Summary by Staff:

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Bryan A. Gelman (Principal, CIRP LIT)	0.70	\$458.57	\$321.00
Tom McElroy (Director, CIRP LIT)	7.80	\$470.00	\$3,666.00

Disbursements:

Taxable Disbursements	
POSTAGE:	\$0.92
Total Disbursements:	
HST/GST:	
	\$0.12

Amount Due This Invoice: \$4,506.35

Invoice Summary:

TOTAL FEES AND DISBURSEMENTS:	\$3,987.92
TOTAL HST/GST:	\$518.43
TOTAL AMOUNT DUE:	\$4,506.35

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

HST No. 83741 9514 RT 0001

APPENDIX J

Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

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

AFFIDAVIT OF ALEX HORA

I, Alex Hora, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a barrister and solicitor, qualified to practice in the province of Ontario, and I am a Partner with the law firm of Garfinkle Biderman LLP, and therefore have knowledge of the matters in this affidavit. Wherein this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.

2. Garfinkle Biderman are lawyers of record for Albert Gelman Inc. in its capacity as the court appointed Receiver (the "Receiver") of all of the assets, undertakings and properties of Images Life Media Inc., and 2531509 Ontario Inc.

3. Attached as Exhibit "A" to this Affidavit are copies of the accounts rendered by Garfinkle Biderman to the Receiver for fees and disbursements incurred by Garfinkle Biderman in this

proceeding for the period from October 10th, 2023, to April 15th, 2024 (inclusive of HST) in the total amount of \$52,464.83.

4. Attached as Exhibit “B” to this Affidavit is a schedule summarizing each account in Exhibit “A”, the total billable hours charged and the total fees charged.

5. The accounts attached at Exhibit “A” are comprised of hours docketed by the following lawyers at Garfinkle Biderman with the corresponding hourly rates:

Professional	Hourly Rate
Wendy Greenspoon-Soer	\$687.50/hr
Blair Mestel	\$595.00/hr

6. The average hourly rate charged for the invoices set out in Exhibit “A” is \$641.25.

7. To the best of my knowledge, the rates charged by Garfinkle Biderman throughout the course of this proceeding are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

8. The hourly billing rates outlined above are comparable to the hourly rates charged by Garfinkle Biderman for services rendered in relation to similar proceedings.

9. I make this affidavit in support of a motion by the Receiver for, among other things, approval of the fees and disbursements of Garfinkle Biderman as its counsel for the period from October 10th, 2023, to April 15th, 2024.

SWORN by Alex Hora at the City of Toronto, in the Province of Ontario, before me on April 16, 2024, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



DocuSigned by:
wendy greenspoon
8AA5F854A6B7452...

Commissioner for Taking Affidavits

Wendy Greenspoon-Soer

DocuSigned by:
Alex Hora
EE49DDFDB3E3475...

Alex Hora

SCHEDULE "A"



INVOICE

Albert Gelman Inc.
60 Shaftesbury Ave.
Toronto, ON
M4T 1A3

Account Name	Receivership of Images Life Media Inc.		
Your Ref		Invoice No.	INV01-13647
Our Ref	13/MAT66813/7923004	Date	18 Jan 2024
Account No.	MAT66813/CNT7887	Page	1 of 10

Date	Description	FE	Time	Amount excl. Tax
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TO PROFESSIONAL SERVICES RENDERED with respect to the above matter

18 Jan 24	<p>To our fees for professional services rendered for period 2023-10-10 to 2024-01-18 which attendances include: To correspondence to Bryan re: deposit remittance, keys, etc; to all related matters and attendances;; To misc. correspondence re: email to Purchaser Counsel, status update requests and potential change to order; to all related matters, attendances and correspondence;; To response from Simmarjit and all related matters, attendances and correspondence; to review and instructions to clerk; to review of Order, SOA and all related matters, attendances and correspondence;; To misc. correspondence from and to client, broker, etc. re: possible second extension request; to all related matters, attendances and correspondence;; To misc. correspondence to and from Purchaser Counsel confirming second extension request, enclosing commitment letter, etc.; to all related matters, attendances and correspondence;; To preliminary review of Purchaser Commitment Letter;; To draft of solicitor amending letter and all related matters, attendances and correspondence; to memo update to Bryan; to follow up correspondence from and to Simmar; to follow with Bryan, re extension request; to instructions from Bryan and response to same; to correspondence to Simmar enclosing executed letter; to all related matters, correspondence and attendances;; To receipt of executed extension letter and all related matters, attendances and correspondence; to report to client and broker; to revise escrow letter and update closing documents for Jan. 12 closing date; to all related matters and attendances;; To</p>	44	29.30	\$ 17,433.50
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Garfinkle | Biderman LLP

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www.garfinkle.com

GST # R119425791

Pursuant to the Solicitors Act, interest at the rate of % will be charged on overdue accounts
When remitting please enclose the duplicate copy of this account.

Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	2 of 10
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Date	Description	FE	Time	Amount excl. Tax
18 Jan 24	To our fees for professional services rendered for period 2023-10-10 to 2024-01-18 which attendances include: Prepare Order / Revise NoM and emails with Tom; Miscellaneous emails with Tom re: First Report and Motion Record; Letter To Baker; Miscellaneous re; service and filing instructions; Miscellaneous: Review Receiver's final draft of First Report; Miscellaneous emails re: service of Motion Record; E-Mail to and from Zeldin re: deposit; E-Mail from Court Office; E-Mail from Bryan / Review Opinion Letters; E-Mail from agent re: condition / From and to Bryan re: Walnut; Telephone Call To Bryan re: Zoning; Telephone Call From Zeldin; Conference Call With Bryan and Zeldin; E-Mail from Zeldin / Review and revise Condition clause; E-Mail to and from Zeldin re: APS; Miscellaneous emails : Bryan and Katie; E-Mail from Brian / Sign-back; E-Mail from Anthony / To Bryan; E-Mail from Zeldin; E-Mail to Bryan and Zeldin; Telephone Call To Bryan; E-Mail to Anthony - Tenant; From and to Anthony; E-Mail from Zeldin / From Bryan re: from deal; E-Mail to and from Zeldin; Prepare revised motion material; Revise Document: NoM / Amended; Revise Document: NoM; Miscellaneous: Email to Receiver / Further revisions to NoM; E-Mail from Bryan; E-Mail from Tom - Revisions to NoM; Telephone Call From Bryan re: draft NoM; Prepare Revised Order and Prep Vesting Order; Miscellaneous: Review draft Supp. Report; Prepare and revise Approval orders and schedules and amended NoM revisions; E-Mail to Bryan - Drafts; E-Mail from and to Tom re: purchaser; Miscellaneous emails with realtor and Tom; E-Mail	13	32.50	\$ 21,937.50
TOTAL FEES				\$ 39,371.00

DISBURSEMENTS

12 Oct 23	Client Other - No Tax-filing of Motion Record & Affidavit of service			\$ 339.00 *
09 Nov 23	Xerox			\$ 0.50
09 Nov 23	Xerox			\$ 3.25
15 Nov 23	Cheque payment to Marwah Law Professional Corporation - Inv#2232-10/24/23			\$ 350.00
23 Nov 23	Xerox			\$ 4.25
23 Nov 23	Xerox			\$ 5.00
27 Nov 23	Clearances - Real Estate - Taxable-Tax Certificate			\$ 76.43
27 Nov 23	Clearances - Real Estate - Taxable-Utility Certificate			\$ 58.81
28 Nov 23	Teranet Searches - Taxable 11/27/23			\$ 37.25
28 Nov 23	Searches/PPSA/Filing fees-Taxable-11.27.23			\$ 20.00
30 Nov 23	Client Other - No Tax-incoming wire charge			\$ 22.00 *
04 Dec 23	Client Other - No Tax-Out going wire charge			\$ 17.00 *
12 Jan 24	Client Other - No Tax-incoming wire charge			\$ 22.00 *
12 Jan 24	Client Other - No Tax-outgoing wire charge			\$ 17.00 *
16 Jan 24	Client Other - Taxable-PLS-Inv#181238-1/16/24			\$ 220.00
17 Jan 24	Courier Charge - B - 01.16.24-5100 Yonge St. North York			\$ 12.47
TOTAL DISBURSEMENTS				\$ 1,204.96

TOTAL FEES AND DISBURSEMENTS**\$ 40,575.96****TOTAL TAX @ 13.00%****\$ 5,220.68****TOTAL DUE ON THIS INVOICE****\$ 45,796.64**

* Exempt

Garfinkle | Biderman LLP

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Pursuant to the Solicitors Act, interest at the rate of % will be charged on overdue accounts. When remitting please enclose the duplicate copy of this account.

Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	3 of 10
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Balances		Total Due	
A/R	\$ 58,620.74	Outstanding Invoices	\$ 12,824.10
Trust	\$ 0.00	Invoice Amount	\$ 45,796.64
Investment Trust	\$ 0.00	Sub Total	\$ 58,620.74
		Less Trust Transferred to Pay Invoice	\$ 0.00
		Total Account Balance	\$ 58,620.74

Garfinkle Biderman LLP

Wendy Greenspoon-Soer (13)

Garfinkle | Biderman LLP

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GST # R119425791

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ANNEXURE

Date	Description	FE	Time
10 Oct 23	Prepare Order / Revise NoM and emails with Tom	13	0.80
10 Oct 23	Miscellaneous emails with Tom re: First Report and Motion Record	13	0.40
10 Oct 23	Letter To Baker	13	0.20
10 Oct 23	Miscellaneous re; service and filing instructions	13	0.20
10 Oct 23	Miscellaneous: Review Receiver's final draft of First Report	13	0.30
11 Oct 23	Miscellaneous emails re: service of Motion Record	13	0.20
11 Oct 23	E-Mail to and from Zeldin re: deposit	13	0.10
11 Oct 23	E-Mail from Court Office	13	0.10
13 Oct 23	E-Mail from Bryan / Review Opinion Letters	13	0.20
17 Oct 23	E-Mail from agent re: condition / From and to Bryan re: Walnut	13	0.20
17 Oct 23	Telephone Call To Bryan re: Zoning	13	0.10
18 Oct 23	Telephone Call From Zeldin	13	0.10
18 Oct 23	Conference Call With Bryan and Zeldin	13	0.50
19 Oct 23	E-Mail from Zeldin / Review and revise Condition clause	13	0.20
19 Oct 23	E-Mail to and from Zeldin re: APS	13	0.10
19 Oct 23	Miscellaneous emails : Bryan and Katie	13	0.10
19 Oct 23	E-Mail from Brian / Sign-back	13	0.10
20 Oct 23	E-Mail from Anthony / To Bryan	13	0.10
20 Oct 23	E-Mail from Zeldin	13	0.10
20 Oct 23	E-Mail to Bryan and Zeldin	13	0.10
20 Oct 23	Telephone Call To Bryan	13	0.20
20 Oct 23	E-Mail to Anthony - Tenant	13	0.10
20 Oct 23	From and to Anthony	13	0.10
20 Oct 23	E-Mail from Zeldin / From Bryan re: from deal	13	0.20
23 Oct 23	E-Mail to and from Zeldin	13	0.10
23 Oct 23	Prepare revised motion material	13	1.00
25 Oct 23	Revise Document: NoM / Amended	13	1.00
25 Oct 23	Revise Document: NoM	13	0.20
25 Oct 23	Miscellaneous: Email to Receiver / Further revisions to NoM	13	0.20
25 Oct 23	E-Mail from Bryan	13	0.10
25 Oct 23	E-Mail from Tom - Revisions to NoM	13	0.20
25 Oct 23	Telephone Call From Bryan re: draft NoM	13	0.10
25 Oct 23	Prepare Revised Order and Prep Vesting Order	13	1.00
25 Oct 23	Miscellaneous: Review draft Supp. Report	13	0.40
26 Oct 23	Prepare and revise Approval orders and schedules and amended NoM revisions	13	1.50
26 Oct 23	E-Mail to Bryan - Drafts	13	0.10
27 Oct 23	E-Mail from and to Tom re: purchaser	13	0.10
27 Oct 23	Miscellaneous emails with realtor and Tom	13	0.20

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Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	5 of 10
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Date	Description	FE	Time
27 Oct 23	E-Mail from Tom review proposed revisions and finalize motion documents	13	0.40
27 Oct 23	Miscellaneous emails from and to agent / Review documents	13	0.20
30 Oct 23	E-mail from Lennard / review Assignment	13	0.10
30 Oct 23	E-mail from & to tenant	13	0.10
30 Oct 23	E-mail Receiver re vacancy + lock change	13	0.10
30 Oct 23	Miscellaneous review final report / prep supp record	13	0.60
30 Oct 23	Prepare Assignment Agreement / email agent	13	0.30
30 Oct 23	Letter To serve & file M.R.	13	0.20
30 Oct 23	E-mail from Realtor / assignment	13	0.10
30 Oct 23	E-Mail from Zeldin re: tenant	13	0.10
30 Oct 23	E-Mail from lanina re: tenant	13	0.10
01 Nov 23	E-Mail to receiver - re vacancy	13	0.10
01 Nov 23	E-Mail from and to lanina re: keys	13	0.10
06 Nov 23	Prepare Factum	13	2.00
07 Nov 23	Revise Document: Factum	13	0.70
07 Nov 23	Letter To Bryan re: Factum	13	0.20
07 Nov 23	Prepare BoA	13	0.30
08 Nov 23	Revise Document and proof factum	13	0.20
08 Nov 23	E-Mail from Bryan / Revise Factum	13	0.20
09 Nov 23	Prepare draft service letter / instruct re: factum	13	0.20
10 Nov 23	Miscellaneous emails: Bryan and Zeldin re: extension	13	0.20
13 Nov 23	E-Mail from and to Rachel / Bryan	13	0.10
20 Nov 23	E-Mail Baker / Review Def. and CC	13	0.40
20 Nov 23	E-Mail to Bryan re: Pleading	13	0.10
20 Nov 23	E-Mail from Bryan re; pleading	13	0.10
20 Nov 23	E-Mail from Rachel	13	0.10
20 Nov 23	E-Mail from Tom	13	0.10
20 Nov 23	Miscellaneous: Check for hearing co-ords. and circulate	13	0.10
21 Nov 23	E-Mail from Rachel	13	0.10
21 Nov 23	E-Mail to Court	13	0.10
22 Nov 23	E-Mail from & to Zeldin re Ct/to & from Bryan	13	0.20
22 Nov 23	E-Mail from Baker / Def. & CC	13	0.20
22 Nov 23	E-Mail from Baker / Henriques aff	13	0.30
22 Nov 23	Prepare for ct motion for approval et al.	13	1.50
23 Nov 23	Miscellaneous: Further motion prep.	13	0.50
23 Nov 23	Attendance At Court: Motion vesting order, approvals and bankruptcy	13	1.50
23 Nov 23	Meeting with Moses and Receiver re: motion	13	0.20
23 Nov 23	E-Mail from Zeldin / Review Waiver / Email to Zeldin	13	0.20
23 Nov 23	Telephone Call To Blair	13	0.10

Garfinkle | Biderman LLP

Dundee Place, Suite 801, 1 Adelaide Street East, Toronto, ON M5C 2V9

Tel | 416.869.1234

Fax | 416.869.0547

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Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	6 of 10
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Date	Description	FE	Time
23 Nov 23	E-Mail from and to Tom re: Order	13	0.10
23 Nov 23	E-Mail from and to Tom re: waiver	13	0.10
23 Nov 23	To call with Wendy and related correspondence re: court order assignment; to all related matters and attendances;	44	0.40
23 Nov 23	To misc. correspondence re: waiver and order; to all related matters and attendances;	44	0.50
24 Nov 23	E-Mail from Court / Endorsement	13	0.20
24 Nov 23	E-Mail Endorsement to Bryan / Update Blair for closing	13	0.20
24 Nov 23	Meeting with Blair re: APS and email Zeldin re: waiver	13	0.20
24 Nov 23	E-Mail from Zeldin / Waiver	13	0.10
24 Nov 23	To misc. correspondence re order: and call with Wendy; to receipt of fully executed APS;	44	0.60
27 Nov 23	To receipt of assignment and assumption agreement and review of same; to related correspondence, attendances and matters;	44	0.50
27 Nov 23	To correspondence to Zeldin and Gelman re closing date; to related matters and attendances;	44	0.30
27 Nov 23	To call and correspondence with Gelman; to brief call with Wendy; to review of APS and Order; to all related matters, attendance and correspondence;	44	1.00
27 Nov 23	Miscellaneous emails with Blair and Rama re: closing documents	13	0.30
27 Nov 23	E-Mail from and to Commercial Court / Instruct re: Rec. certificate to be signed on closing	13	0.20
27 Nov 23	Meeting with Blair	13	0.20
27 Nov 23	E-Mail from Moses / Serve issued Order	13	0.20
28 Nov 23	To review of title and Vesting Order;	44	0.50
28 Nov 23	To draft and review of closing documents, including: Application Vesting Order; s.116 Certificate; Vendor's Direction re: Funds; Purchaser's HST Certificate; Assignment of Lease; and all related matters, attendances and correspondence;	44	1.50
28 Nov 23	To edits and review of closing documents and instructions to clerk; to review of tax certificate; and correspondence to Purchaser's lawyer;	44	0.50
28 Nov 23	To misc. correspondence re: extension request; to all related matters, attendances and correspondence;	44	0.50
28 Nov 23	E-Mail to process server re: Rec. Cert.	13	0.10
28 Nov 23	E-Mail from and to Zeldin re; delay	13	0.10
28 Nov 23	Miscellaneous emails from Blair re: extension	13	0.20
28 Nov 23	To correspondence from Bryan re: preliminary items; to misc. follow up and attendances re: residential lease arrangement and all related matters, attendances and correspondence'	44	0.50
29 Nov 23	To all correspondence, attendances and matters re: extension request; to prepare of amending agreement; to all related matters and correspondence;	44	2.00
29 Nov 23	Miscellaneous emails Bryan & Blaire re ext. agreement	13	0.10
29 Nov 23	E-Mail from Zeldin re: extension	13	0.10
29 Nov 23	E-Mail from Bryan re: deposit	13	0.10
29 Nov 23	Miscellaneous: Cancel process server re: Cert. / Email	13	0.10
30 Nov 23	To all attendances finalizing extension letter, deposit, correspondence to purchaser counsel and all related matters, attendances and correspondence;	44	1.50
30 Nov 23	Miscellaneous emails re amendment / delayed closing	13	0.20
30 Nov 23	Miscellaneous further deposit receipt	13	0.10

Garfinkle | Biderman LLP

Dundee Place, Suite 801, 1 Adelaide Street East, Toronto, ON M5C 2V9

Tel | 416.869.1234

Fax | 416.869.0547

www.garfinkle.com**GST # R119425791**Pursuant to the Solicitors Act, interest at the rate of % will be charged on overdue accounts
When remitting please enclose the duplicate copy of this account.

Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	7 of 10
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123

Date	Description	FE	Time
01 Dec 23	To correspondence to Bryan re: deposit remittance, keys, etc; to all related matters and attendances;	44	0.20
05 Dec 23	E-mail to & from Bryan re closing	13	0.10
06 Dec 23	E-mail to receiver - next steps	13	0.10
06 Dec 23	E-mail from trustee re mtgs	13	0.10
11 Dec 23	To review and update of draft closing documents for January closing; to review and update of adjustments; to all related matters, attendances and correspondence;	44	1.00
12 Dec 23	E-Mail from Bryan / Revi4ew Creditor's package	13	0.30
12 Dec 23	E-Mail from lanina - to Henriques	13	0.10
12 Dec 23	E-Mail from Bryan; to Henriques	13	0.10
12 Dec 23	Telephone Call From Baker	13	0.40
13 Dec 23	E-Mail from Bryan re: sale	13	0.10
13 Dec 23	Meeting with Blair	13	0.10
13 Dec 23	Miscellaneous emails: Blair and Bryan re: closing	13	0.10
14 Dec 23	To correspondence and call with Bryan re: adjustments, closing logistics, documents, and all related matters and attendances; to instructions to clerk;	44	0.80
18 Dec 23	To draft and review of escrow letter and closing documents to be enclosed to Purchaser Counsel; to all related matters, attendances and correspondence;	44	1.00
20 Dec 23	Miscellaneous emails from Baker and Gelman	13	0.20
20 Dec 23	Miscellaneous: Attend Creditors meeting for 253	13	0.40
20 Dec 23	Miscellaneous: Attend creditors meeting for Images	13	0.30
02 Jan 24	E-Mail to Bryan and Blair	13	0.10
03 Jan 24	E-Mail from Blair re: closing	13	0.10
03 Jan 24	E-Mail from and to Zelde n	13	0.10
03 Jan 24	To misc. correspondence re: email to Purchaser Counsel, status update requests and potential change to order; to all related matters, attendances and correspondence;	44	1.00
04 Jan 24	E-Mail from Gelman re: sale and from Blair	13	0.10
04 Jan 24	To response from Simmarjit and all related matters, attendances and correspondence; to review and instructions to clerk; to review of Order, SOA and all related matters, attendances and correspondence;	44	1.00
05 Jan 24	E-Mail from Zeldin	13	0.10
05 Jan 24	E-Mail from and to Zeldin / Frim and to Bryan	13	0.20
08 Jan 24	To misc. correspondence from and to client, broker, etc. re: possible second extension request; to all related matters, attendances and correspondence;	44	1.00
08 Jan 24	To misc. correspondence to and from Purchaser Counsel confirming second extension request, enclosing commitment letter, etc.; to all related matters, attendances and correspondence;	44	0.50
08 Jan 24	To preliminary review of Purchaser Commitment Letter;	44	0.50
08 Jan 24	To draft of solicitor amending letter and all related matters, attendances and correspondence; to memo update to Bryan	44	1.00
08 Jan 24	to follow up correspondence from and to Simmar; to follow with Bryan, re extension request; to instructions from Bryan and response to same; to correspondence to Simmar enclosing executed letter; to all related matters, correspondence and attendances;	44	1.00
08 Jan 24	Miscellaneous emails re: closing	13	0.20

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Dundee Place, Suite 801, 1 Adelaide Street East, Toronto, ON M5C 2V9

Tel | 416.869.1234

Fax | 416.869.0547

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Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	8 of 10
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124

Date	Description	FE	Time
09 Jan 24	Miscellaneous emails: Blair and Bryan re: extension	13	0.20
09 Jan 24	E-Mail to Bryan re: sale	13	0.10
09 Jan 24	E-Mail from Blair / From Zeldin	13	0.10
09 Jan 24	To receipt of executed extension letter and all related matters, attendances and 44 correspondence; to report to client and broker; to revise escrow letter and update closing documents for Jan. 12 closing date; to all related matters and attendances;	44	1.00
11 Jan 24	E-Mail from Blair and Bryan re: closing	13	0.20
11 Jan 24	Miscellaneous: Memo to Profile re: certificate	13	0.10
11 Jan 24	Instruct re: Rec. Certificate	13	0.10
11 Jan 24	Telephone Call From Blair	13	0.10
11 Jan 24	E-Mail from and to Blair / Instruct	13	0.30
11 Jan 24	E-Mail to and from Court	13	0.10
11 Jan 24	E-Mail from Blair / Revised Undertaking	13	0.10
11 Jan 24	E-Mail from Blair - Cert.	13	0.10
11 Jan 24	To misc. correspondence from Purchaser Counsel re: adjustments and undertaking; To 44 prepare and review of trust ledger; to email update to Bryan re: Friday's closing; to all related matters, attendances and correspondence;	44	1.00
11 Jan 24	To receipt of closing documents from Purchaser Counsel; to perform HST search; to misc. 44 response correspondence to Purchaser Counsel; to instructions clerk; to all related matters, attendances and correspondence;	44	0.50
11 Jan 24	To misc. correspondence with Purchaser Counsel re: Law Statement; to all related matters, 44 attendances and correspondence;	44	1.00
11 Jan 24	To various correspondence and calls re: Law Statement and Receiver Certificate 44 Undertaking; to confer with Wendy re same; to all related matters, attendances and correspondence; to mark up of requested forms and subsequent correspondence to Purchaser Counsel;	44	1.00
11 Jan 24	To review of receiver certificate and related correspondence to Wendy; to all related 44 matters and attendances;	44	0.50
12 Jan 24	E-Mail to process server re; Rec. certificate	13	0.10
12 Jan 24	Miscellaneous emails re: closing	13	0.20
12 Jan 24	Instruct re: Cert.	13	0.10
12 Jan 24	Miscellaneous emails - Bryan, Michael, Blair	13	0.10
12 Jan 24	To misc. correspondence to and from Purchaser Counsel re: title insurance matters, potential 44 extension request and all related matters, attendances and correspondence;	44	1.00
12 Jan 24	To misc. correspondence re: process server matter (Receiver Certificate);	44	0.50
12 Jan 24	To correspondence to and from M. Zeldin;	44	0.50
12 Jan 24	To misc. registration and immediate post-registration attendances; (wire, email confirmation 44 to clients, etc.) and all related matters, attendances and correspondence; to confer with clerk re: taxes and related undertakings and update receiver certificate;	44	1.00
15 Jan 24	Miscellaneous emails with process server and Court	13	0.20
15 Jan 24	E-Mail to Blair re: Rec. Cert.	13	0.10
17 Jan 24	Telephone Call From Baker	13	0.10
17 Jan 24	Telephone Call To Bryan	13	0.20
17 Jan 24	E-Mail to Baker	13	0.10

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Tel | 416.869.1234

Fax | 416.869.0547

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When remitting please enclose the duplicate copy of this account.

Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	9 of 10
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125

Date	Description	FE	Time
17 Jan 24	Reporting File	13	0.20
17 Jan 24	To post closing attendances (Receiver Certificate correspondence and tax remittance to 44 City) and all related matters, attendances and correspondence;	44	0.50
17 Jan 24	To draft and review of reporting letter to Albert Gelman; to review of enclosures and closing 44 documents; to all related matters, attendances and correspondence;	44	1.50

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Account No.	MAT66813/CNT7887	Invoice No.	INV01-13647	Date	18 Jan 2024	Page	10 of 10
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TRUST STATEMENT

Date	Description	Debit	Credit	Balance
30 Nov 23	Received EFT from Archita Rai - non-refundable deposit		\$ 150,000.00	\$ -150,000.00
04 Dec 23	Tsf fr 0495333 to 5260596	\$ 150,000.00		\$ 0.00
04 Dec 23	Received EFT from GB-Tsf fr 0495333 to 5260596 -		\$ 150,000.00	\$ -150,000.00
04 Dec 23	Wire to Albert Gelman Inc.-Deposit-115 Walnut Ave.	\$ 150,000.00		\$ 0.00
12 Jan 24	Received EFT from Madaans LLP - Sale proceeds		\$ 2,139,578.69	\$ -2,139,578.69
12 Jan 24	Tsf fr 0495333 to 5260596	\$ 2,139,578.69		\$ 0.00
12 Jan 24	Received EFT from GB-Tsf fr 0495333 to 5260596 -		\$ 2,139,578.69	\$ -2,139,578.69
12 Jan 24	Wire to Albert Gelman Inc-sale proceeds	\$ 2,106,840.72		\$ -32,737.97
15 Jan 24	Cheque payment to City of Toronto - Outstanding taxes Memo: 19 04 04 1 300 01400 0000 02	\$ 32,737.97		\$ 0.00
	Total	\$ 4,579,157.38	\$ 4,579,157.38	\$ 0.00

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Dundee Place, Suite 801, 1 Adelaide Street East, Toronto, ON M5C 2V9

Tel | 416.869.1234

Fax | 416.869.0547

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GST # R119425791

 Pursuant to the Solicitors Act, interest at the rate of % will be charged on overdue accounts
 When remitting please enclose the duplicate copy of this account.



INVOICE

Albert Gelman Inc.
60 Shaftesbury Ave.
Toronto, ON
M4T 1A3

Account Name	Receivership of Images Life Media Inc.		
Your Ref		Invoice No.	INV01-15133
Our Ref	13/MAT66813/7923004	Date	26 Mar 2024
Account No.	MAT66813/CNT7887	Page	1 of 3

Date	Description	FE	Time	Amount excl. Tax
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TO PROFESSIONAL SERVICES RENDERED with respect to the above matter

18 Jan 24	E-Mail from Bryan	13	0.10	\$ 67.50
18 Jan 24	E-Mail from Moses / Review revisions / Email all	13	0.20	\$ 135.00
19 Jan 24	E-Mail from Bryan - Indemnity Agreement	13	0.10	\$ 67.50
19 Jan 24	E-Mail and Notice of Change from Rachel	13	0.10	\$ 67.50
23 Jan 24	E-Mail to Baker	13	0.10	\$ 67.50
23 Jan 24	Miscellaneous emails from Bryan re: Funding	13	0.10	\$ 67.50
23 Jan 24	Telephone Call From Baker re: exam	13	0.10	\$ 67.50
23 Jan 24	E-Mail from Baker re: exams and email Bryan	13	0.10	\$ 67.50
23 Jan 24	E-Mail to Baker regarding exams	13	0.10	\$ 67.50
24 Jan 24	Prepare notice of exam / bk exam / letter to Baker	13	0.30	\$ 202.50
25 Jan 24	Miscellaneous revise NOE / review BIA & email Baher	13	0.20	\$ 135.00
25 Jan 24	E-mail from & to Baker	13	0.10	\$ 67.50
25 Jan 24	Revise Document Notices / email to Justice	13	0.20	\$ 135.00
25 Jan 24	E-mail form Bryan / revise letter	13	0.10	\$ 67.50
21 Feb 24	E-Mail to Bryan re: examination	13	0.10	\$ 70.00
21 Feb 24	E-Mail to Banker re: examination	13	0.10	\$ 70.00
21 Feb 24	Telephone Call From Bryan re: examination	13	0.10	\$ 70.00
22 Feb 24	Miscellaneous: Examination of Henriques	13	1.00	\$ 700.00
01 Mar 24	Prepare List if Undertakings / Review transcripts	13	0.40	\$ 280.00
07 Mar 24	Miscellaneous: Review list of Undertakings and revise and letter to Baker	13	0.30	\$ 210.00
25 Mar 24	Meeting with Bryan and TD	13	0.20	\$ 140.00

TOTAL FEES

\$ 2,822.50

DISBURSEMENTS

26 Feb 24	Client Other - Taxable-Network Reporting & Mediation -Inv#736571-2/23/24	\$ 408.50
04 Mar 24	Client Other - Taxable-Network Reporting & Mediation -Inv# 736572-2/22-24	\$ 360.00

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GST # R119425791

Pursuant to the Solicitors Act, interest at the rate of % will be charged on overdue accounts. When remitting please enclose the duplicate copy of this account.

Date	Description	FE	Time	Amount excl. Tax
	TOTAL DISBURSEMENTS			\$ 768.50
	TOTAL FEES AND DISBURSEMENTS			\$ 3,591.00
	TOTAL TAX @ 13.00%			\$ 466.89
	TOTAL DUE ON THIS INVOICE			\$ 4,057.89

Balances		Total Due	
A/R	\$ 4,057.89	Outstanding Invoices	\$ 0.00
Trust	\$ 0.00	Invoice Amount	\$ 4,057.89
Investment Trust	\$ 0.00	Sub Total	\$ 4,057.89
		Less Trust Transferred to Pay Invoice	\$ 0.00
		Total Account Balance	\$ 4,057.89

Garfinkle Biderman LLP

Wendy Greenspoon-Soer (13)

Garfinkle | Biderman LLP

Dundee Place, Suite 801, 1 Adelaide Street East, Toronto, ON M5C 2V9

Tel | 416.869.1234

Fax | 416.869.0547

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GST # R119425791

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Account No.	MAT66813/CNT7887	Invoice No.	INV01-15133	Date	26 Mar 2024	Page	3 of 3
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TRUST STATEMENT

Date	Description	Debit	Credit	Balance
30 Nov 23	Received EFT from Archita Rai - non-refundable deposit		\$ 150,000.00	\$ -150,000.00
04 Dec 23	Tsf fr 0495333 to 5260596	\$ 150,000.00		\$ 0.00
04 Dec 23	Received EFT from GB-Tsf fr 0495333 to 5260596 -		\$ 150,000.00	\$ -150,000.00
04 Dec 23	Wire to Albert Gelman Inc.-Deposit-115 Walnut Ave.	\$ 150,000.00		\$ 0.00
12 Jan 24	Received EFT from Madaans LLP - Sale proceeds		\$ 2,139,578.69	\$ -2,139,578.69
12 Jan 24	Tsf fr 0495333 to 5260596	\$ 2,139,578.69		\$ 0.00
12 Jan 24	Received EFT from GB-Tsf fr 0495333 to 5260596 -		\$ 2,139,578.69	\$ -2,139,578.69
12 Jan 24	Wire to Albert Gelman Inc-sale proceeds	\$ 2,106,840.72		\$ -32,737.97
15 Jan 24	Cheque payment to City of Toronto - Outstanding taxes Memo: 19 04 04 1 300 01400 0000 02	\$ 32,737.97		\$ 0.00
	Total	\$ 4,579,157.38	\$ 4,579,157.38	\$ 0.00

Garfinkle | Biderman LLP

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GST # R119425791

 Pursuant to the Solicitors Act, interest at the rate of % will be charged on overdue accounts
 When remitting please enclose the duplicate copy of this account.



INVOICE

Albert Gelman Inc.
60 Shaftesbury Ave.
Toronto, ON
M4T 1A3

Account Name	Receivership of Images Life Media Inc.		
Your Ref		Invoice No.	INV01-15300
Our Ref	13/MAT66813/7923004	Date	15 Apr 2024
Account No.	MAT66813/CNT7887	Page	1 of 3

Date	Description	FE	Time	Amount excl. Tax
TO PROFESSIONAL SERVICES RENDERED with respect to the above matter				
26 Mar 24	E-Mail to Comm. Court	13	0.10	\$ 70.00
26 Mar 24	Miscellaneous emails with Court	13	0.10	\$ 70.00
27 Mar 24	E-Mail from Court / To service list	13	0.20	\$ 140.00
08 Apr 24	Consulted By to Receiver	13	0.10	\$ 70.00
09 Apr 24	Prepare and revise NoM re; Discharge	13	1.00	\$ 700.00
11 Apr 24	E-Mail to Tom	13	0.10	\$ 70.00
11 Apr 24	Prepare fee affidavits	13	0.20	\$ 140.00
12 Apr 24	Miscellaneous emails from Tom / Review Report	13	0.50	\$ 350.00
15 Apr 24	Miscellaneous: Revise Notice of Motion and Fee Affidavits/prepare Motion Record; Communications with the Receiver re motion and re draft report	13	1.00	\$ 700.00
	TOTAL FEES			\$ 2,310.00
	TOTAL TAX @ 13.00%			\$ 300.30
	TOTAL DUE ON THIS INVOICE			\$ 2,610.30

Balances	Total Due
A/R	\$ 2,610.30
Trust	\$ 0.00
Investment Trust	\$ 0.00
	Outstanding Invoices \$ 0.00
	Invoice Amount \$ 2,610.30
	Sub Total \$ 2,610.30
	Less Trust Transferred to Pay Invoice \$ 0.00
	Total Account Balance \$ 2,610.30

Account No.	MAT66813/CNT7887	Invoice No.	INV01-15300	Date	15 Apr 2024	Page	2 of 3
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Garfinkle Biderman LLP



Wendy Greenspoon-Soer (13)



Account No.	MAT66813/CNT7887	Invoice No.	INV01-15300	Date	15 Apr 2024	Page	3 of 3
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TRUST STATEMENT

Date	Description	Debit	Credit	Balance
30 Nov 23	Received EFT from Archita Rai - non-refundable deposit		\$ 150,000.00	\$ -150,000.00
04 Dec 23	Tsf fr 0495333 to 5260596	\$ 150,000.00		\$ 0.00
04 Dec 23	Received EFT from GB-Tsf fr 0495333 to 5260596 -		\$ 150,000.00	\$ -150,000.00
04 Dec 23	Wire to Albert Gelman Inc.-Deposit-115 Walnut Ave.	\$ 150,000.00		\$ 0.00
12 Jan 24	Received EFT from Madaans LLP - Sale proceeds		\$ 2,139,578.69	\$ -2,139,578.69
12 Jan 24	Tsf fr 0495333 to 5260596	\$ 2,139,578.69		\$ 0.00
12 Jan 24	Received EFT from GB-Tsf fr 0495333 to 5260596 -		\$ 2,139,578.69	\$ -2,139,578.69
12 Jan 24	Wire to Albert Gelman Inc-sale proceeds	\$ 2,106,840.72		\$ -32,737.97
15 Jan 24	Cheque payment to City of Toronto - Outstanding taxes Memo: 19 04 04 1 300 01400 0000 02	\$ 32,737.97		\$ 0.00
Total		\$ 4,579,157.38	\$ 4,579,157.38	\$ 0.00

Garfinkle | Biderman LLP

Dundee Place, Suite 801, 1 Adelaide Street East, Toronto, ON M5C 2V9

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GST # R119425791

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SCHEDULE "B"

SUMMARY OF ACCOUNTS OF GARFINKLE BIDERMAN LLP**(From October 10, 2023 to April 15, 2024)**

Invoice	Date	Period ending	Hours Billed	Fees Billed	HST	Total
INV01- 13647	October 10, 2023	January 17, 2024	61.80 hrs.	\$ 40,575.96	\$5,220.68	\$ 45,796.64
INV01- 15133	January 18, 2024	March 25, 2024	4.10	\$3,591.00	\$ 466.89	\$ 4,057.89
INV01- 15300	March 26, 202	April 15, 2024	3.30	\$2,310.00	\$300.30	\$2,610.30
Total			69.20	\$ 46,476.96	\$5,987.87	\$52,464.83

THE TORONTO-DOMINION BANK

IMAGES LIFE MEDIA INC., et al.

and

Applicant

Respondents

Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
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
Proceeding commenced at Toronto

AFFIDAVIT OF ALEX HORA

GARFINKLE BIDERMAN LLP
Barristers & Solicitors
1 Adelaide Street East, Suite 801
Toronto, Ontario
M5C 2V9

Wendy Greenspoon-Soer – LSO#: 34698L
Email: wgreenspoon@garfinkle.com
Tel: 416-869-1234

Lawyers for the Receiver,
Albert Gelman Inc.

File Number: 7923-004

APPENDIX K

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

and

**IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL HENRIQUES
also known as JOHN PAUL HENRIQUES**

Defendants

**AFFIDAVIT OF JONATHAN GROSS
SWORN April 12, 2024**

I, Jonathan Gross, of the City of Toronto, in the Province of Ontario, Barrister and Solicitor, MAKE OATH AND SAY AS FOLLOWS:

1. I am a lawyer with the law firm of Fogler, Rubinoff LLP ("FR") and have knowledge of the matters hereinafter deposed to.
2. Attached hereto as **Exhibit "A"** is a true copy of the interim account dated October 28, 2023, rendered for the work done from September 26, 2023 to October 12, 2023, by FR to Albert Gelman Inc., in its capacity as Receiver over the property of Images Life Media Inc. and 2531509 Ontario Inc. (in such capacity, the "**Receiver**"), which account sets out the particulars of the work performed by FR with respect to this matter. A courtesy discount of approximately \$435.00 was provided in this invoice to the Receiver.

3. The total of the fees, disbursements and applicable taxes from September 26, 2023 to October 12, 2023 is the sum of \$5,228.02.

4. The said accounts by FR to the Receiver are summarized as follows:

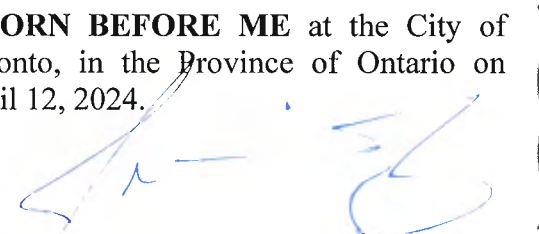
Date	Fees	Disbursements	HST	Total
October 28, 2023	\$4,532.00	\$98.80	\$597.22	\$5,228.02
TOTAL	\$4,532.00	\$98.80	\$597.22	\$5,228.02

5. The following are the billing rates of the lawyers who have worked upon the matter together with their year of call.

Timekeeper	Hourly Rate	Year of Call
Scott R. Venton	\$593.08 (2023)	2000
Vern W. DaRe	\$583.95 (2023)	1991

6. The hourly billing rates applied are FR's discounted hourly rates for this client.

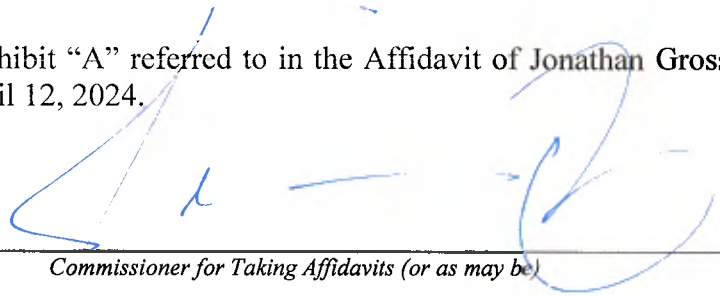
SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on April 12, 2024.


 Commissioner for Taking Affidavits
 (or as may be)


 JONATHAN GROSS

49805E

This is Exhibit "A" referred to in the Affidavit of Jonathan Gross sworn April 12, 2024.

A handwritten signature in blue ink, consisting of a large, stylized initial 'J' followed by a horizontal line and a large, circular flourish.

Commissioner for Taking Affidavits (or as may be)

498056

Invoice Num: 22315886

October 28, 2023

Albert Gelman Inc
60 Shaftesbury Avenue
Toronto ON M4T 1A3

Attention: Bryan Gelman
Managing Director

IN ACCOUNT WITH
Fogler, Rubinoff LLP
77 King Street West, Suite 3000
TD Centre North Tower
P.O. Box 95
Toronto, ON
M5K 1G8
Telephone: 416-864-9700
Fax: 416-941-8852
www.foglers.com

fogler
rubinoff

Our File: A3271 / 234757
As Receiver for Images Life Media Inc. and 2531509 Ontario Inc. (Joao Paul Henriques aka John Paul Henriques)

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter from September 26, 2023 to October 12, 2023, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Sep-26-23	SRV	Telephone call with Bryan Gelman re: background of matter; Review email from Bryan Gelman attaching Appointment Order and Application Record with a view to provide an opinion on TD Bank's security; Undertake initial searches.	0.50	296.54
Sep-27-23	VSF	2 Names- 2 searches.	0.60	45.62
Sep-27-23	SRV	Draft and review emails with Bryan Gelman regarding file and review exchanges with Rachel Moses and Wendy Greenspoon to obtain the security documents.	0.30	177.92
Sep-27-23	VWD	Begin reviewing TD's loan and security documents and relevant searches; begin reviewing Olympia's security documents.	1.30	759.14
Sep-27-23	KP	Conduct various corporate searches, pull updated parcel for 113-115 Walnut and instruments and provide to V. DaRe.	0.30	95.80
Sep-28-23	SRV	Review email from Rachel Moses attaching TD Bank's motion record which contains the security documents.	0.10	59.31



<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Fees</u>
Sep-28-23	SRV	Discussion with Vern DaRe regarding TD Bank's security being valid and enforceable; however, noting we require further information regarding Olympia Trust Company; Review email from Bryan Gelman providing the Olympia Trust Company documents; Discussion with Bryan Gelman and Vern DaRe regarding reaching out to Martin Robertson to obtain further information.	0.30	177.91
Sep-28-23	VWD	Complete review of TD's and Olympia's security documents and relevant search; draft legal opinion regarding same to Receiver.	2.20	1,284.69
Sep-29-23	VWD	Emails from and to Bryan Gelman regarding Olympia's security.	0.30	175.19
Sep-29-23	VWD	Email to Hannah Smith's lawyer regarding Olympia's security documents.	0.20	116.79
Oct-12-23	VWD	Review email from Hannah Smith's lawyer including attached Mortgage Commitment; reply to same; complete opinion letter to Receiver regarding Olympia's security documentation; email to client regarding same.	2.30	1,343.09

TOTAL FEES: \$4,532.00

OUR FEE HEREIN - Reduced from \$4,967.00 as a courtesy to you: \$4,532.00

Disbursements

Taxable	Bankruptcy Search	\$8.00	
Taxable	Copies of Instruments	\$6.00	
Taxable	Corporate Profile	\$32.00	
Taxable	PPSA Search	\$16.00	
Exempt	Tax Payment	\$36.80	
	Total Disbursements		\$98.80
	Total Fees and Disbursements		\$4,630.80
	HST @ 13% on Fees and Taxable Disbursements		\$597.22
	Total Fees, Disbursements and Taxes this Bill		\$5,228.02
	Balance Due:		\$5,228.02

fogler
rubinoff

**THIS IS OUR ACCOUNT HEREIN
FOGLER, RUBINOFF LLP**

Scott R. Venton

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 4.80% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

Please return a copy of this account with your payment. Thank you.

For your convenience, we have the following payment options:

- Online banking using the Bill Payment Service at most Canadian chartered banks. Please reference your file or account number in the notes box.
- Direct Deposits at a TD Branch (please provide your Fogler, Rubinoff lawyer with a copy of the cheque and deposit receipt).
- Wire transfer (please reference your file or account number).
- Electronic Funds Transfer (EFT).
- Cheque by mail or courier.

Should you require assistance, please contact our Accounts Receivable Department at 416.864.9700 x152 or by e-mail accountsreceivable@foglers.com.

THE TORONTO-DOMINION BANK
Plaintiff

-and- **IMAGES LIFE MEDIA INC., et al.**
Defendants

Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

FEE AFFIDAVIT

FOGLER, RUBINOFF LLP

Toronto-Dominion Centre
77 King Street West
Suite 3000, PO Box 95
Toronto, ON M5K 1G8

Vern W. DaRe (LSO# 32591E)

Tel: 416.941.8842

Fax: 416.941.8852

Email: vdare@foglers.com

Lawyers for Albert Gelman Inc.,
in its capacity as the Receiver

TAB 3

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	MONDAY, THE 6 th DAY
)	
JUSTICE CAVANAGH)	OF MAY, 2024

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**ORDER
(Approval and Discharge)**

THIS MOTION, made by Albert Gelman Inc., (“AGI”) in its capacity as the Court-appointed receiver (in such capacity, the “Receiver”) of the assets, undertakings and property of Images Life Media Inc. and 2531509 Ontario Inc. (the “Debtors”) for an order, *inter alia*, approving the actions and activities of the Receiver and its legal counsel as described in the Second Report of the Receiver dated April 16, 2024 (the “Second Report”), approving the fees of the Receiver and its counsel, approving the Receiver’s Final Statement of Receipts and Disbursements dated April 16, 2024, and for an Order discharging the Receiver, was heard this day by video conference at 330 University Avenue, Toronto, Ontario.

ON READING the Receiver’s Second Report, the Fee Affidavit of Bryan Gelman, sworn April 15, 2024, the Fee Affidavit of Jonathan Gross sworn April 12, 2024, the Fee Affidavit of Alexander Hora sworn April 16, 2024, and on hearing the submissions of counsel for the Receiver, and any other party as indicated on the counsel slip, and no one appearing for any other person on

-2-

the service list, although properly served, as appears from the affidavit of service of Monika Gugu sworn April 17, 2024, filed:

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

2. **THIS COURT ORDERS** that capitalized terms not defined herein shall have the meanings ascribed thereto in the Second Report, as applicable.

APPROVAL OF ACTIVITIES & FEES

3. **THIS COURT ORDERS** that the Second Report as well as the actions and activities of the Receiver and its legal counsel described therein, are hereby approved provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the Receiver's Final Statement of Receipts and Disbursements dated April 16, 2024 (the "Final SRD") appearing as Appendix H in the Second Report including the estimated fee accruals (the "Fee Accruals") to complete its mandate as set out on the Final SRD, be and are hereby approved, and that the Receiver be and is hereby authorized to pay, from time to time, its ongoing fees and disbursements and those of its counsel up to the amounts of the Fee Accruals without need for further taxation or order of this Court.

5. **THIS COURT ORDERS AND DECLARES** that the fees and disbursements of the Receiver and its counsel, as set out in the Fee Affidavit of Bryan Gelman, sworn April 15, 2024, the Fee Affidavit of Jonathan Gross, sworn April 12, 2024, and the Fee Affidavit of Alexander Hora, sworn April 16, 2024, are hereby approved, and the Receiver is authorized and directed to pay all such fees which remain unpaid at this time.

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DISCHARGE OF THE RECEIVER

6. **THIS COURT ORDERS** that upon the Receiver filing a certificate in the form attached hereto as Schedule “A” (the “**Discharge Certificate**”) certifying that it has completed the remaining activities described in the Second Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtors, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the Receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of AGI in its capacity as Receiver.

7. **THIS COURT ORDERS AND DECLARES** that, upon filing the Discharge Certificate, AGI is hereby released and discharged from any and all liability that AGI now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of AGI while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver’s part. Without limiting the generality of the foregoing, AGI is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver’s part.

SCHEDULE "A"

Court File No. CV-23-00701877-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

RECEIVER'S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "Court") dated July 18, 2023, Albert Gelman Inc. ("AGI") was appointed Receiver of the assets, undertakings and property of Images Life Media Inc. and 2531509 Ontario Inc. (the "Debtors").

B. Pursuant to an Order of the Court dated May 6, 2024 (the "Discharge Order"), the Court approved the actions as described in the Receiver's Second Report (as defined in the Discharge Order) and ordered the discharge of AGI as Receiver upon completing the remaining activities to be completed by the Receiver described in the Second Report (the "Remaining Activities").

C. Pursuant to the Discharge Order, the Court ordered that upon filing of this Discharge Certificate certifying that the Receiver has completed the Remaining Activities, the Receiver shall be discharged as Receiver of the assets, undertakings and property of the Debtors.

THE RECEIVER CERTIFIES the following:

1. The Receiver has completed the Remaining Activities as described in the Second Report.
2. This Certificate was delivered by the Receiver at _____ [time] on _____ 2024.

-5-

**Albert Gelman Inc. in its capacity as Receiver
of the Debtors and not in its personal capacity**

Per:

Bryan Gelman, CIRP, LIT

THE TORONTO-DOMINION BANK
Plaintiff and IMAGES LIFE MEDIA INC., et al.
Defendants

Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at TORONTO

ORDER
(Approval and Discharge Order)

GARFINKLE BIDERMAN LLP

Barristers & Solicitors

1 Adelaide Street East, Suite 801

Toronto, Ontario

M5C 2V9

Wendy H. Greenspoon-Soer LSO#34698L

wgreenspoon@garfinkle.com

Tel: 416-869-1234

Lawyers for the Receiver, Albert Gelman Inc.

File Number: 7923-004

RCP-F 4C (September 1, 2020)

THE TORONTO-DOMINION BANK
Plaintiff and IMAGES LIFE MEDIA INC., et al.
Defendants

Court File No. CV-23-00701877-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at TORONTO

MOTION RECORD OF THE RECEIVER
(Approval and Discharge)

GARFINKLE BIDERMAN LLP

Barristers & Solicitors

1 Adelaide Street East, Suite 801

Toronto, Ontario

M5C 2V9

Wendy H. Greenspoon-Soer LSO#34698L

wgreenspoon@garfinkle.com

Tel: 416-869-1234

Lawyers for the Receiver,
Albert Gelman Inc.

File Number: 7923-004 RCP-F 4C (September 1, 2020)