

**ONTARIO  
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

**B E T W E E N :**

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243 OF THE  
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED AND  
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 1990, c C 43, AS AMENDED**

**MOTION RECORD  
(returnable JULY 3, 2020)**

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Lawyers for RSM Canada Limited in its capacity as  
Court-appointed Receiver of 2305992 Ontario Inc.

**TO: THE SERVICE LIST**

# INDEX

Court File No.: CV-19-00628446-00 CL

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1.	Notice of Motion dated June 26, 2020
2.	Third Report of the Receiver dated June 26, 2020
A.	Second Report of the Receiver dated March 16, 2020 (without appendices)
B.	Approval and Vesting Order dated April 1, 2020
C.	Interim Distribution Order dated April 1, 2020
D.	Settlement Agreement dated June 26, 2020
E.	Receiver`s Interim Statement of Receipts and Disbursements for the period November 28, 2019 to June 26, 2020
F.	Fee Affidavit of MarshallZehr Group Inc. sworn June 26, 2020
G.	Fee Affidavit of Miller Thomson LLP sworn June 26, 2020
3.	Draft Order

# TAB 1

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

**IN THE MATTER OF s.243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985* and s.101 of the *Courts of Justice Act, R.S.O., 1990, c. C-43*, as amended**

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**NOTICE OF MOTION**

RSM Canada Limited (“**RSM**”), in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of 2305992 Ontario Inc. (the “**Debtor**”), will make a motion to a Judge presiding over the Commercial List on July 3, 2020, at 11:00 a.m. or as soon after that time as the motion can be heard by judicial teleconference via Zoom virtual conference at Toronto, Ontario. Please refer to the conference details attached as Schedule “A” hereto in order to attend the motion and advise if you intend to join the motion by emailing Kyla Mahar at kmahar@millertomson.com.

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

- in writing under subrule 37.12.1(1) because it is on consent or unopposed or made without notice;
- in writing as an opposed motion under subrule 37.12.1(4);
- orally.

**THE MOTION IS FOR:**

1. An order, substantially found at Tab 3 of the Motion Record herein:
  - (a) abridging the time for service of the Notice of Motion and the Motion Record herein and dispensing with further service thereof;
  - (b) approving the Settlement Agreement entered into between MarshallZehr Group Inc. (“MZ”), 2704553 Ontario Inc. (“**2704553**”) and the Debtor effective as of June 15, 2020 annexed as an appendix to the Third Report (the “**Settlement Agreement**”);
  - (c) approving the activities of the Receiver since the date of the Second Report as set out in the Third Report of the Receiver dated June 26, 2020 (the “**Third Report**”);
  - (d) approving the fees and disbursements of the Receiver and its counsel, Miller Thomson LLP, as set out in the Fee Affidavit of Bryan Tannenbaum sworn on June 26, 2020 and the Fee Affidavit of Alina Stoica sworn June 26, 2020, respectively, and annexed as appendices to the Third Report (collectively, the “**Fee Affidavits**”);
  - (e) authorizing and directing the Receiver to file an assignment in bankruptcy by and on behalf of the Debtor;
  - (f) approving the distribution of the remaining proceeds available in the estate of the Debtor after payment of the fees and disbursements of the Receiver and its counsel as set out in the Fee Affidavits, as follows:
    - (i) to RSM Canada Inc., in its capacity as trustee in bankruptcy to fund the administrative cost of the bankruptcy of the Debtor in the amount of \$25,000 plus HST;
    - (ii) to MZ on account of its outstanding legal costs incurred in respect of the Debtor and these Receivership Proceedings to the date of distribution;
    - (iii) after payment of the amounts in (i) and (ii) above,

- (A) 25% of the remaining funds, to a maximum of \$500,000, to 2704553 or as it may otherwise direct;
  - (g) the remaining funds to MZ. discharging RSM Canada Limited as Receiver; and
  - (h) releasing RSM Canada Limited from any and all liability, save and except willful misconduct and gross negligence.
2. Such further and other relief that this Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

- (a) the Debtor is an Ontario corporation that has its registered office in Woodbridge, Ontario;
- (b) the Debtor is the registered owner of real property municipally known as 9740, 9750 and 9760 Yonge Street, Richmond Hill, Ontario (the “**Property**”);
- (i) MZ extended credit facilities to the Debtor under a Commitment Letter dated August 11, 2014 (the “**Commitment Letter**”);
- (j) As security for the payment and performance of its obligations under the Commitment Letter, the Debtor granted a first ranking Charge in the principal amount of \$20,000,000 against the Property;
- (k) The Debtor committed multiple events of default under the Commitment Letter;
- (l) On September 10, 2019, MZ demanded payment of all indebtedness by the Debtor and issued a Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act*;
- (m) By Order of the Honourable Justice McEwen dated November 28, 2019 (the “**Receivership Order**”), the Receiver was appointed over all of the Debtor’s assets, property and undertakings;
- (n) By Order of the Honourable Justice McEwen dated January 9, 2020 (the “**Sale Process Approval Order**”), the Court approved and authorized, among other

things, the Receiver to conduct a sale process in accordance with the procedures attached as Schedule “A” to the Sale Process Approval Order (the “**Sale Process**”);

- (o) The Receiver conducted the Sale Process in accordance with the Sale Process Approval Order and a Successful Bid and Back-Up Bid were selected;
- (p) By Orders of the Honourable Justice McEwen dated April 1, 2020, the Court approved among other things, the Sale Transaction for the Property (the “**Approval and Vesting Order**”) and an Interim Distribution of the sale proceeds on closing of the Successful Bid Transaction (the “**Interim Distribution Order** ”);
- (q) The Sale Transaction closed on April 15, 2020 and the Receiver paid an interim distribution to MZ in the amount of \$27,505,709, allocated as follows:
  - (i) \$255,206 representing repayment in full of the amounts borrowed by the Receiver under Receiver’s Certificate No.1, plus accrued interest; and
  - (ii) \$27,250,504 representing payment of the principal and simple interest owing to MZ under its first ranking Charge;
- (r) In addition to the amounts paid to MZ under the Interim Distribution Order, as of April 1, 2020, MZ was owed \$6,408,031.81 on account of wrap up interest, administrative and amendment fees and legal fees and disbursements;
- (s) As set out in the R&D, there are insufficient funds to satisfy the remaining amount owing the MZ;
- (t) In addition to the security held by MZ against the Property, 2704553 also held second ranking Charge over the Property in the principal amount of \$5,500,000 registered against the Property as instrument number YR2981230 (the “**2704553 Charge**”);
- (u) MZ advised the Debtor and 2704553 that it would be bringing a motion seeking a Final Distribution Order seeking payment of the all of the remaining funds held by the Receiver after payment of Receiver and its counsel’s fees and disbursements and costs of a bankruptcy to partially satisfy its indebtedness on account of wrap



up interest, administrative and amendment fees, and its legal fees and disbursements. The Debtor and 2704553 advised they would likely oppose such relief;

- (v) As a result, the parties entered into settlement discussions and reached the terms of settlement as set out in the Settlement Agreement. The Settlement Agreement resolves all issues between the parties and allows for a final distribution and discharge of the Receiver without protracted litigation.
- (w) The Receiver has obtained an opinion from Miller Thomson LLP that, subject to the usual assumptions and qualifications, the 2704553 Charge is valid and enforceable;
- (x) The Receiver has approved the terms of the Settlement Agreement and it remains subject to Court approval;
- (y) In accordance with the terms of the Settlement Agreement, the Receiver seeks the Court's approval to distribute the remaining funds it will have after payment of the Receiver's and its counsel's fees and disbursements as follows:
  - (i) to RSM Canada Inc., in its capacity as trustee in bankruptcy to fund the administrative cost of the bankruptcy of the Debtor in the amount of \$25,000 plus HST;
  - (ii) to MZ on account of its outstanding legal costs incurred in respect of the Debtor and these Receivership Proceedings to the date of distribution;
  - (iii) after payment of the amounts in (i) and (ii) above,
    - (A) 25% of the remaining funds, to a maximum of \$500,000, to 2704553 or as it may otherwise direct; and
    - (B) the remaining funds to MZ.
- (z) In order to avoid any potential priority claims against the Debtor arising in the future, and in an effort to provide finality to the Receivership Proceedings, the Receiver is seeking that the Court authorize and direct the Receiver to file an assignment in bankruptcy on behalf of the Debtor;

- (aa) Pursuant to paragraphs 18 and 19 of the Receivership Order, the Receiver and its counsel shall be paid their reasonable fees and disbursements and shall pass their accounts before the Court;
- (bb) The Third Report sets out in detail the activities of the Receiver since the date of its Second Report to June 26, 2020;
- (cc) The Third Report sets out the total fees and disbursements of the Receiver and the Receiver's legal counsel, Miller Thomson;
- (dd) The Receiver seeks approval of their fees and disbursements, as well as those of their legal counsel, Miller Thomson;
- (ee) The fees and disbursements of the Receiver and the Receiver's counsel are fair and reasonable;
- (ff) As the Receiver's administration is substantially complete, and in order to avoid the costs of making a further motion to the Court to obtain the Receiver's discharge, the Receiver is presently seeking an order discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver upon the filing by the Receiver of a certificate confirming that the Receiver has completed the remaining duties set out in the Third Report and, with the proviso that RSM may perform such incidental duties as may be required by it as Receiver to complete its obligations pursuant to its appointment as Receiver;
- (gg) Rule 3, 37 and 44.06 of the Rules of Civil Procedure;
- (hh) Section 243 of the *Bankruptcy and Insolvency Act*;
- (ii) Section 101 of the *Courts of Justice Act*;
- (jj) The inherent jurisdiction of this Court; and
- (kk) Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

- (a) Third Report of the Receiver dated June 26, 2020 and appendices thereto;
- (b) such further and other materials as counsel may advise and this Honourable Court may permit.

Date: June 26, 2020

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Lawyers for RSM Canada Limited, in its capacity  
as Court-appointed Receiver of 2305992 Ontario  
Inc.

TO: THE SERVICE LIST (ATTACHED)

**SCHEDULE "A"**  
**Virtual Teleconference Details for Motion**

Join Zoom Meeting

<https://us02web.zoom.us/j/84080467180?pwd=all1LzZpOHd5MmVmd2VVTnc1U0l1dz09>

Meeting ID: 840 8046 7180

Password: 094936

One tap mobile

+13126266799,,84080467180#,,,,0#,,094936# US (Chicago)

+13462487799,,84080467180#,,,,0#,,094936# US (Houston)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 646 558 8656 US (New York)

+1 669 900 9128 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

Meeting ID: 840 8046 7180

Password: 094936

Find your local number: <https://us02web.zoom.us/j/84080467180?pwd=all1LzZpOHd5MmVmd2VVTnc1U0l1dz09>

**Service List**

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<b>AND TO:</b>	<p><b>RSM CANADA LIMITED</b> 11 King St W #700 Toronto, ON M5H 4C7</p> <p><b>Bryan Tannenbaum</b> Email: bryan.tannenbaum@rsmcanada.com Tel: 416-238-5055</p> <p><b>Jeff Berger</b> Email: jeff.berger@rsmcanada.com Tel: 647-726-0496</p> <p>Receiver of 2305992 Ontario Inc.</p>
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MARSHALLZEHR GROUP INC.      2305992 ONTARIO INC.  
Applicant      and      Respondent

Court File No.: CV-19-00628446-00 CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION:**

**MILLER THOMSON LLP**

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Lawyers for RSM Canada Limited, in its capacity  
as Court-appointed Receiver of 2305992 Ontario  
Inc.



# TAB 2

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

B E T W E E N :

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**THIRD REPORT OF THE RECEIVER**  
**June 26, 2020**

**INTRODUCTION**

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on November 28, 2019 (the “**Receivership Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver and manager (the “**Receiver**”) of the assets, properties and undertakings of 2305992 Ontario Inc. (the “**Debtor**”).
2. On January 9, 2020, the Court granted an Order (the “**Sale Process Approval Order**”), among other things, approving and authorizing the Receiver to conduct a sale process in accordance with the procedures attached as Schedule “A” to the Sale Process Approval Order (the “**Sale Process**”).
3. On March 16, 2020, the Receiver issued its second report to the Court (the “**Second Report**”) for the purpose of, among other things, seeking Orders of the Court to:

- (a) Approve the Successful Transaction and the Back-up Bid in the form of the model approval and vesting order (with necessary modifications) (the “**Approval and Vesting Order**”); and
- (b) Among other relief, authorize the Receiver to make certain interim distributions (the “**Interim Distribution Order**”).

A copy of the Second Report, without appendices, is attached as **Appendix “A”** to this third report of the Receiver (the “**Third Report**”).

- 4. On April 1, 2020, the Court granted the Approval and Vesting Order and the Interim Distribution Order. Copies of these Orders are attached as **Appendix “B” and “C”** to this Third Report, respectively.

#### **PURPOSE OF THIRD REPORT**

- 5. The purpose of this Third Report is to:
  - (a) report to the Court on the activities of the Receiver since the date of the Second Report to June 26, 2020;
  - (b) report to the Court on settlement agreement reached between MarshallZehr Group Inc. (“**MZ**”), 2704553 Ontario Inc. and the Debtor (the “**Settlement Agreement**”), which resolved any potential litigation between the parties regarding the distributions to be made by the Receiver as proposed hereunder;
  - (c) provide the Court with a summary of the Receiver’s cash receipts and disbursements for the period November 28, 2019 to June 26, 2020; and
  - (d) seek an Order:
    - (i) approving the Settlement Agreement;
    - (ii) authorizing and directing the Receiver to file an assignment in bankruptcy on behalf of the Debtor;

- (iii) authorizing the Receiver to fund the costs of administering the bankruptcy in the amount of \$25,000 plus HST;
- (iv) authorizing a final distribution to the secured lenders, in accordance with the Settlement Agreement;
- (v) approving the Third Report and the Receiver's conduct and activities set out herein;
- (vi) approving the Receiver's Interim Statement of Receipts and Disbursements for the period November 28, 2019 to June 26, 2020 (the "**R&D**");
- (vii) approving the fees and disbursements of the Receiver and its counsel, Miller Thomson LLP from the date of the Receivership Order to the date of discharge of the Receiver; and
- (viii) terminating these proceedings and discharging the Receiver from the powers, duties and obligations attendant to its appointment as Receiver upon the filing of the Receiver's Discharge Certificate.

## **TERMS OF REFERENCE**

6. In preparing this Third Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "**Information**"). Certain of the information contained in this Third Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
7. Unless otherwise stated, all monetary amounts contained in the Third Report are expressed in Canadian dollars.

## **BACKGROUND**

8. The Debtor is an Ontario corporation that has its registered office in Woodbridge, Ontario.
9. The Debtor is the registered owner of real property municipally known as 9740, 9750 and 9760 Yonge Street, Richmond Hill, Ontario (the “**Property**”).
10. The Property was vacant land that the Debtor intended to develop into a mixed use condominium consisting of residential, office and commercial space.
11. The Receiver understands that the Debtor had made several attempts to market and sell the Property, both privately and through a broker, during the two years prior to these Receivership proceedings. The Receiver further understands that a number of offers were received by the Debtor, but none of the offers were accepted, or if accepted by the Debtor, no transaction was concluded.

## **ACTIVITIES OF THE RECEIVER**

12. In addition to the activities described in detail in this Third Report, the Receiver has conducted the following activities since the date of the Second Report:
  - (a) closed the transaction with the Purchaser (as defined in the Approval and Vesting Order) on April 15, 2020;
  - (b) issued an interim distribution in accordance with the Interim Distribution Order;
  - (c) communicated with various stakeholders regarding the Sale Process results and distribution of remaining funds; and
  - (d) prepared this Third Report.

## **SETTLEMENT AGREEMENT**

13. Pursuant to the Interim Distribution Order dated April 1, 2020, the Receiver distributed MZ’s outstanding principal and simple interest under the MZ Charge to MZ.

14. In addition to the amounts paid to MZ under the Interim Distribution Order, as of April 1, 2020, MZ was owed \$6,408,031.81 on account of wrap up interest, administrative and amendment fees and legal fees and disbursements.
15. As set out in the R&D, there are insufficient funds to satisfy the remaining amount owing the MZ.
16. In addition to the security held by MZ against the Property, 2704553 also held second ranking Charge over the Property in the principal amount of \$5,500,000 registered against the Property as instrument number YR2981230 (the “**2704553 Charge**”).
17. MZ advised the Debtor and 2704553 that it would be bringing a motion seeking a Final Distribution Order seeking payment of the all of the remaining funds held by the Receiver after payment of Receiver and its counsel’s fees and disbursements and costs of a bankruptcy to partially satisfy its indebtedness on account of wrap up interest, administrative and amendment fees, and its legal fees and disbursements. The Debtor and 2704553 advised they would likely oppose such relief.
18. As a result, the parties entered into settlement discussions and reached the terms of settlement as set out in the Settlement Agreement. A copy of the final form of the Settlement Agreement executed by MZ and by one of the two signing officer of 2704553 and the Debtor is attached as **Appendix “D”**. The Receiver understands that the other signature of the second signing officer of 2704553 and the Debtor will be delivered prior to the motion. The Settlement Agreement resolves all issues between the parties and allows for a final distribution and discharge of the Receiver without protracted litigation.
19. In accordance with the terms of the Settlement Agreement, the Receiver’s counsel has received and reviewed 2704553 loan and security documents and provided its opinion that the 2704553 Charge is a valid and enforceable Charge. Thereafter, the Receiver approved the Settlement Agreement.
20. The Settlement Agreement is subject to Court approval.

## ASSIGNMENT IN BANKRUPTCY

21. The Debtor, in its capacity as bare trustee/nominee of a joint venture (“**JV**”), held legal title to the Property, but was not considered to be a participant in the JV. As such, the Debtor was not required to be an HST registrant.
22. The JV participants appointed one of the participants, 2294894 Ontario Inc. (“**229**”) as operator, giving 229 full rights and authority for the purpose of administering all GST/HST matters on behalf of the JV. While 229 is the duly elected operator/HST registrant of the JV, all participants are liable, on a joint and several basis, for the JV’s GST/HST liabilities pursuant to s. 273 of the Excise Tax Act (“**ETA**”).
23. On February 18, 2020, 229 became bankrupt. The Receiver is not aware of whether 229 owed any HST at the time of its bankruptcy.
24. While the Debtor is not a participant in the JV as a nominee company, the Receiver understands that Tax Court of Canada held in its decision in *Lau v. The Queen* [2007] GSTC 171 that a nominee corporation could be considered a participant in a JV for purposes of s. 273 of the ETA.
25. In order to avoid any potential priority claims against the Debtor arising in the future, and in an effort to provide finality to this proceeding, the Receiver requests that the Court authorize and direct the Receiver to file an assignment in bankruptcy on behalf of the Debtor.
26. The Settlement Agreement contemplates that the administrative costs of the bankruptcy will be funded from the funds on hand prior to the distribution. The administrative costs of the bankruptcy is \$25,000 plus HST.

## RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

27. Attached hereto as **Appendix “E”** is the Receiver’s Interim Statement of Receipts and Disbursements for the period November 28, 2019 to June 26, 2020 (the “**R&D**”). During this period, receipts were \$30,150,422, including advances totaling \$250,000 under Receiver Certificate No. 1. Disbursements were \$414,131, not including the amounts

distributed to MZ pursuant to the Interim Distribution Order to (i) repay Receiver Certificate No. 1, plus interest; and (ii) repay principal and simple interest owing to MZ under the first mortgage.

## **PROFESSIONAL FEES**

28. The Receiver's accounts total \$290,990.50 in fees, plus HST of \$37,828.77 for a total amount of \$328,819.27 for the period November 28, 2019 to June 15, 2020, including estimated fees to completion of the Receivership Proceedings in an amount of \$25,000.00 plus HST (the "**Receiver's Accounts**"). The Fee Affidavit of Bryan A. Tannenbaum sworn June 26, 2020 annexing copies of the Receiver's Accounts, together with a summary of the accounts, the total billable hours charged per the accounts, and the average hourly rate charged per the accounts is attached hereto as **Appendix "F"**.
29. The accounts of the Receiver's counsel, Miller Thomson, total \$119,015.00 in fees, \$859.61 in disbursements and \$15,505.14 in HST for a total of \$135,389.75 for the period November 29, 2019 to May 31, 2020 and estimated fees to completion of the Receivership Proceedings in an amount of \$25,000.00 plus HST (the "**Miller Thomson Accounts**"). The Affidavit of Alina Stoica sworn June 26, 2020 annexing copies of the Miller Thomson Accounts, together with a summary of the personnel, hours and hourly rates described in the Miller Thomson Accounts is attached hereto as **Appendix "G"**.

## **FINAL DISTRIBUTION**

30. As set out in the Second Report, The Receiver received an opinion from Fogler Rubinoff LLP, its independent legal counsel that, subject to the usual assumptions and qualifications, the First Mortgage and personal property security held by MZ is valid and enforceable.
31. In accordance with the Interim Distribution Order, following the closing of the sale of the Property, the Receiver paid an interim distribution to MZ in the amount of \$27,505,709, allocated as follows:
  - (i) \$255,206 representing repayment of the Receiver's Certificate, in full, including all accrued interest; and



- (ii) \$27,250,504 representing a partial repayment of MZ's First Mortgage.
32. The Receiver has also obtained an opinion from MT that, subject to the usual assumptions and qualifications, the 2704553 Charge is valid and enforceable.
33. As set out on the R&D, the net funds available prior to payment of the Receiver's and its counsel's fees and disbursements are \$2,230,581 as at June 26, 2020.
34. The Receiver seeks the Court's approval to distribute the remaining funds it will have after payment of the Receiver's and its counsel's fees and disbursements, in accordance with the terms of the Settlement Agreement as follows:
- (a) to RSM Canada Inc., in its capacity as trustee in bankruptcy to fund the administrative cost of the bankruptcy of the Debtor in the amount of \$25,000 plus HST;
  - (b) to MZ on account of its outstanding legal costs incurred in respect of the Debtor and these Receivership Proceedings to the date of distribution;
  - (c) after payment of the amounts in (a) and (b) above,
    - i) 25% of the remaining funds, to a maximum of \$500,000, to 2704553 or as it may otherwise direct; and
    - ii) the remaining funds to MZ.

#### **DISCHARGE OF THE RECEIVER**

35. As of the date of this Third Report, the Receiver's remaining duties (the "**Remaining Duties**") include the following:
- (i) applying for HST refunds in respect of the Receivership Proceedings;
  - (ii) making the final distributions as set out in paragraph 34 herein; and
  - (iii) preparing the Interim and Final Statements of Receiver pursuant to sections 246(2) and 246(3) of the *Bankruptcy and Insolvency Act*.

36. As the Receiver's administration is substantially complete, and in order to avoid the costs of making a further motion to the Court to obtain the Receiver's discharge, the Receiver is presently seeking an order discharging RSM from the powers, duties and obligations attendant to its appointment as Receiver (the "**Discharge Order**") upon the filing by the Receiver of a certificate confirming that the Receiver has completed the Remaining Duties (the "**Receiver's Discharge Certificate**"), with the proviso that RSM may perform such incidental duties as may be required by it as Receiver to complete its obligations pursuant to its appointment as Receiver.

### CONCLUSION

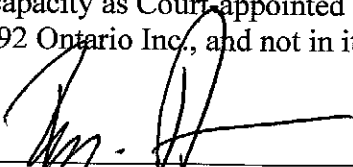
37. Based on the foregoing, the Receiver respectfully requests that the Court grant the order described in paragraph 5(d) above.

All of which is respectfully submitted to this Court as of this 26<sup>th</sup> day of June, 2020.

#### **RSM Canada Limited**

in its capacity as Court-appointed Receiver and Manager of  
2305992 Ontario Inc., and not in its personal or corporate capacity

Per:

  
\_\_\_\_\_  
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT  
President

# APPENDIX “A”

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

B E T W E E N :

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**SECOND REPORT OF THE RECEIVER**  
**March 16, 2020**

**INTRODUCTION**

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on November 28, 2019 (the “**Receivership Order**”), RSM Canada Limited was appointed receiver and manager (the “**Receiver**”) of the assets, properties and undertakings of 2305992 Ontario Inc. (the “**Debtor**”). A copy of the Receivership Order is attached as **Appendix “A”**.
2. On January 9, 2020, the Court granted an Order (the “**Sale Process Approval Order**”), among other things, approving and authorizing the Receiver to conduct a sale process in accordance with the procedures attached as Schedule “A” to the Sale Process Approval Order (the “**Sale Process**”). A copy of the Sale Process Approval Order, is attached as **Appendix “B”** to this Second Report.

3. In connection with the Sale Process Approval Order, the Receiver filed the First Report of the Receiver dated December 30, 2019 (the “**First Report**”). A copy of the First Report, without appendices, is attached as **Appendix “C”** to this Second Report.
4. The purpose of this report (the “**Second Report**”) is to provide the Court with background and information about:
  - (a) the Receiver’s conduct and activities since the First Report;
  - (b) the results of the Sale Process conducted by the Receiver and the Receiver’s recommendations to the Court with respect to the Successful Transaction and the Back-Up Bid (each as defined below); and
  - (c) certain interim distributions proposed to be made by the Receiver upon closing of a sale transaction for which Court approval is being sought in this Motion.
5. The Receiver brings this motion seeking orders:
  - (a) approving the Successful Transaction and the Back-up Bid in the form of the model approval and vesting order (with necessary modifications) (the “**Approval and Vesting Order**”); and
  - (b) approving the activities and conduct of the Receiver described in this Second Report, authorizing the Receiver to make certain interim distributions as described in this Second Report and sealing the Confidential Appendices to this Second Report (the “**Interim Distribution Order**”).

## **TERMS OF REFERENCE**

6. In preparing this Second Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the “**Information**”). Certain of the information contained in this Second Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the

Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

7. Unless otherwise stated, all monetary amounts contained in the Second Report are expressed in Canadian dollars.

## **BACKGROUND**

8. The Debtor is an Ontario corporation that has its registered office in Woodbridge, Ontario.
9. The Debtor is the registered owner of real property municipally known as 9740, 9750 and 9760 Yonge Street, Richmond Hill, Ontario (the “**Property**”).
10. The Property is currently vacant land that the Debtor intended to develop into a mixed use condominium consisting of residential, office and commercial space.
11. The Receiver understands that the Debtor had made several attempts to market and sell the Property, both privately and through a broker, during the two years prior to these Receivership proceedings. The Receiver further understands that a number of offers were received by the Debtor, but none of the offers were accepted, or if accepted by the Debtor, no transaction was concluded.

## **ACTIVITIES OF THE RECEIVER**

12. In addition to the activities described in detail in this Second Report, the Receiver has conducted the following activities since the date of the First Report:
  - (a) under the Receiver’s Borrowings Charge, issued a Receiver’s Certificate (each as defined in the Receivership Order) to MarshallZehr Group Inc. (“**MZ**”) to borrow \$250,000 to fund these receivership proceedings, payable on demand with interest calculated and compounded monthly at the rate of five percent (5%) above the bank prime rate;

- (b) conducted the Sale Process in accordance with the Sale Process Approval Order, including making amendments to the Sale Process as necessary or desirable;
- (c) communicated with prospective purchasers;
- (d) communicated with stakeholders, including the first mortgagee and Applicant, MZ, on matters related to the Sale Process and the Property;
- (e) arranged for the renewal of the Debtor's insurance coverage; and
- (f) prepared this Second Report.

## **SALE PROCESS**

13. Pursuant to the Sale Process Approval Order, the Court authorized the Receiver to do all things necessary or desirable to give effect to the Sale Process, including making amendments to the process.
14. In accordance with the Sale Process, the Receiver:
  - (a) posted signage at the Property indicating that it was being sold by the Receiver;
  - (b) prepared: (i) a list of known potential buyers, which included approximately 900 industry contacts and influencers; (ii) a form of confidentiality agreement ("CA") to be executed by prospective purchasers; and (iii) a template Agreement of Purchase and Sale.
  - (c) launched a virtual data room, which provided prospective purchasers with access to information related to the Property;
  - (d) contacted the list of known potential buyers by email on December 27, 2019 and January 13, 2020, enclosing a copy of the teaser letter; and
  - (e) published an advertisement in: (i) the *Globe and Mail* (National Edition) on January 9 and 14, 2020 as well as in certain commercial real estate publications; (ii) the *Sing Tao Daily* newspaper, which is a prominent newspaper in the Chinese

community, on January 11 and 18, 2020; and (iii) in the *Novae Res Urbis*, which is a publication focused on communities in the Greater Toronto and Hamilton Area on January 15, 17, 22 and 24, 2020.

15. The bid deadline was February 13, 2020 (the “**Bid Deadline**”). In response to the Receiver’s marketing efforts, the Receiver received 85 requests for a copy of the CA. Of those 85 requests, the Receiver received 63 executed CAs.
16. All of the prospective purchasers who executed a CA received access to the data room.
17. A total of ten (10) offers were submitted before the Bid Deadline.
18. On February 25, 2020, the Receiver wrote to the three (3) top bidders and provided an opportunity for them to resubmit improved offers by 5:00 p.m. on Thursday, February 27, 2020. Three (3) offers were submitted.
19. Out of the three (3) resubmitted offers, the Receiver determined that the two (2) highest offers were virtually indistinguishable. By email dated March 2, 2020, the Receiver advised the top two (2) bidders that:
  - (a) each bidder would have a final opportunity to re-submit a further improved offer before the Receiver decides which offer to accept; and
  - (b) under Section 25(a) of the Sale Process, the Receiver is authorized to amend the Sale Process as considered necessary or desirable by the Receiver, and accordingly, the Receiver amended the Sale Process to authorize the Receiver to select as the “Back-Up Bid” the non-successful offer of the two (2) final offers received.
20. The Receiver set a deadline of 4:00 p.m. EST on March 3, 2020 for the two (2) top bidders to submit their final offers. Both remaining bidders submitted further revised offers in response to the Receiver’s email.
21. After reviewing the two (2) final offers, the Receiver selected the offer from 2510300 Ontario Inc., which will be assigned to 9750 Yonge Limited (the “**Purchaser**”) as the



successful bid (the “**Successful Bid**”) and selected the offer from 2132849 Ontario Inc. or its assignee (the “**Back-Up Purchaser**”) as the back-up bid (the “**Back-Up Bid**”).

22. In this Second Report, the transaction to be concluded under the Successful Bid from the Purchaser is referred to as the “**Successful Transaction**” and the transaction to be concluded under the Back-Up Bid is referred to as the “**Back-Up Transaction**”.
23. A summary of the offers received in the three rounds of bidding is being filed with the Court as **Confidential Appendix “1”** to this Second Report.
24. The material terms of the both the Successful Transaction and the Back-Up Transaction are summarized as follows:

	<b>Successful Transaction</b>	<b>Back-Up Transaction</b>
<b>Purchased Assets</b>	The Property	
<b>Purchase Price and Deposit</b>	The Receiver is seeking an order of the Court which will allow it to maintain the purchase price and Deposit as confidential until the transaction contemplated under the Successful Transaction or Back-Up Transaction, as applicable, has closed.	
<b>Satisfaction of Purchase Price</b>	Cash	Unless the Back-Up Purchaser elects to pay the Purchase Price in all cash, the Purchase Price will be satisfied, by the Deposit and by the assumption of the Debtor’s indebtedness owing to MZ and secured by the first mortgage in favour of MZ registered against title to the Property.
<b>Closing Date</b>	The closing date is the later of 14 days following the issuance of an approval and vesting order approving the Successful Transaction or March 31, 2020.	The closing date is 5 business days following delivery by the Receiver of a written notice (the “ <b>Transaction Notice</b> ”) to the Back-Up Purchaser confirming, among other things, that the Successful Transaction failed to close and that the Receiver will proceed to consummate the Back-Up

		Transaction and negotiate the Back-Up Bidder's deposit cheque.
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25. Redacted copies of the Successful Bid and the Back-Up Bid are attached as **Appendices “D” and “E”**, respectively, to this Second Report. Unredacted copies of the Successful Bid and the Back-Up Bid are being filed with the Court as **Confidential Appendices “2” and “3”**, respectively to this Second Report.
26. The Receiver seeks approval of both the Successful Bid and the Back-Up Bid for efficiency in the event the Successful Transaction fails to close.
27. Based on the Receiver's due diligence to assess the Purchaser's ability to close, the Receiver believes it will be able to consummate the Successful Transaction. However, the Receiver seeks approval of both bids out of an abundance of caution with a view to ensuring that a transaction occurs.
28. The Receiver completed the Sale Process in accordance with the procedures approved by the Court under the Sale Process Approval Order. The Receiver amended the Sale Process as necessary or desirable with a view to maximizing the value of the Property and in accordance with the Sale Process.
29. The Property has been marketed since December 2019 and there were previous attempts by the Debtor to market and sell the Property prior to the commencement of these receivership proceedings.
30. The Sale Process was robust with over 60 executed CAs, and 10 offers submitted.
31. The final bidders participated in multiple rounds of bidding before a Successful Bid and Back-Up Bid were selected.
32. In the Receiver's view, the Property was adequately exposed to the market and the Successful Bid and Back-Up Bid represent the best offers in the circumstances.

33. The first mortgagee, MZ, supports the Successful Transaction and the Back-Up Bid in the event the Successful Transaction fails to close.
34. Accordingly, the Receiver requests that the Court approve the Successful Transaction and the Back-Up Bid.
35. The Receiver seeks an order sealing Confidential Appendices 1, 2 and 3 (the “**Confidential Appendices**”) to this Second Report. The Confidential Appendices contain commercially sensitive information about the bids received and the purchase price obtained for the Property. In the Receiver’s view, this information should remain confidential until such time as either the Successful Transaction or the Back-Up Transaction closes. In the event neither of these transactions close and the Property needs to be remarketed, the disclosure of the commercially sensitive information contained in the Confidential Appendices could be prejudicial to any future sale process that may be required.

#### **INTERIM DISTRIBUTION**

36. The Receiver seeks the Court’s approval to distribute the sale proceeds on closing of the Successful Transaction (or the Back-Up Transaction, as the case may be) on account of the following:
  - (a) first, to pay all amounts outstanding that are secured by the Receiver’s Charge (as defined in the Receivership Order);
  - (b) second, to repay MZ for amounts outstanding (including principal and interest) that are secured by the Receiver’s Borrowings Charge, being \$207,026.86 plus accrued interest (as at April 1, 2020). The *per diem* interest from April 1, 2020 is \$65.64;
  - (c) third, amounts outstanding on account of claims that rank in priority to MZ’s secured claims (if any); and
  - (d) fourth, to repay MZ in respect of outstanding principal and accrued interest (excluding fees, costs and “wrap up interest”) owing by the Debtor to MZ that is secured under the First Mortgage.

37. MZ has provided the Receiver with a Discharge Statement as at April 1, 2020, which calculates the MZ Indebtedness to be as follows: principal in the amount of \$19,349,429.01 plus accrued and unpaid interest in the amount of \$7,799,993.60. The *per diem* interest from April 1, 2020 (not including wrap up interest) is \$7,643.89. A copy of the Discharge Statement is attached as **Appendix “F”**.
38. The Receiver has received an opinion from Fogler Rubinoff LLP, its independent legal counsel that, subject to the usual assumptions and qualifications, the First Mortgage and personal property security held by MZ is valid and enforceable.
39. At this time, it is unclear whether there will be sufficient proceeds to repay MZ for the other amounts the Debtor owes it (as set out in the Discharge Statement). This depends on the timing of closing a transaction, the amount of priority claims owing if any and whether the Successful Transaction or the Back-Up Transaction closes.
40. The Receiver intends to return to Court to seek authorization to make a final distribution after the closing of one of the transactions. At that motion, the Receiver also intends to finalize the administration of these receivership proceedings and seek a discharge.

#### **RELIEF REQUESTED**

41. Based on the foregoing, the Receiver respectfully requests that the Court grant:
  - (a) the Approval and Vesting Order, and
  - (b) the Interim Distribution Order.

All of which is respectfully submitted to this Court as of this 16<sup>th</sup> day of March, 2020.

#### **RSM Canada Limited**

in its capacity as Court-appointed Receiver and Manager of  
2305992 Ontario Inc., and not in its personal or corporate capacity



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

Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT  
President

# APPENDIX “B”

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. )

WEDNESDAY, THE 1

JUSTICE McEWEN )

DAY OF APRIL, 2020 )

BETWEEN:



MARSHALLZEHR GROUP INC.

Applicant

- and -

2305992 ONTARIO INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by RSM Canada Limited in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the undertaking, property and assets of 2305992 Ontario Inc. (the "**Debtor**") for an order approving, among other things: (i) the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 9750 Yonge Limited (as assignee of 2510300 Ontario Inc.) (the "**Purchaser**") dated March 3, 2020 and appended to the Second Report of the Receiver dated March 16, 2020 (the "**Second Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard by teleconference due to the COVID-19 crisis.

**ON READING** the Second Report and on hearing the submissions of counsel for the Receiver and other interested parties, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Cindy Foote sworn March 17, 2020, filed:

1. **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.
2. **THIS COURT ORDERS** that in the event the Transaction contemplated by the Sale Agreement cannot be consummated, the Back-Up Bid (as defined in the Second Report) is approved and the execution of the asset purchase agreement by the Receiver in respect of the Back-Up Bid is authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Back-Up Transaction (as defined in the Second Report) and for the conveyance of the Debtor's right, title and interest in and to the purchase assets described in the Back-Up APS.
3. **THIS COURT ORDERS** that in the event the Transaction cannot be consummated and the Receiver proceeds to consummate the Back-Up Transaction, the Receiver may return to this Court at a 9:30 a.m. chambers appointment (or such other procedure as the Court may direct) to obtain a revised approval and vesting order in respect of the Back-Up Transaction substantially in the form of this Order with such modifications as deemed necessary by the Receiver and approved by this Court.
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets, including the Real Property (as hereinafter defined), described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual,



statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated November 28, 2019; (ii) any and all interest of any beneficial owners of the Purchased Assets, (iii) 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 (iv) 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.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of York Region (No. 65) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

6. **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.

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

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

(a) the pendency of these proceedings;



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

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

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



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

APR 01 2020

PER / PAR: *KW*

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

Court File No. CV-19-00628446-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (the “**Court**”) dated November 28, 2019, RSM Canada Limited was appointed as the receiver and manager (the “**Receiver**”) of the undertaking, property and assets of 2305992 Ontario Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of March 3, 2020 (the “**Sale Agreement**”) between the Receiver and 2510300 Ontario Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or

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

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; 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],  
2020

**RSM Canada Limited, in its capacity as  
Receiver of the undertaking, property and  
assets of 2305992 Ontario Inc., and not in its  
personal capacity**

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

Name:

Title:

## Schedule B – Real Property Description

### Firstly:

#### **Property Identifier No. 03156-0317 (LT)**

Parcel 3-2 in the Register for Section 65M-2368, being part of Block 3 on Plan 65M-2368, designated as Part 1 on Reference Plan 65R-10347, City of Richmond Hill, Regional Municipality of York.

**SUBJECT TO** an Easement over Part 2 on Reference Plan 65R-22016, which is more particularly described in Instrument No. LT1488237.

### Secondly:

#### **Property Identifier No. 03156-0552 (LT)**

Block 39 on Plan 65M-2079, save and except Parts 1 and 2 on Expropriation Plan No. YR2257896, City of Richmond Hill, Regional Municipality of York.

**SUBJECT TO** an Easement which is more particularly described in Instrument No. LT74777.

**SUBJECT TO** an Easement which is more particularly described in Instrument No. YR1882796.

**SUBJECT TO** Temporary Easement for a period of 4 years commencing upon registration of this plan over Parts 3 and 4 on Expropriation Plan No. YR2257896, as in YR2257896.

**SUBJECT TO** a Temporary Easement commencing on 2019/02/15 until 2021/04/30 over Parts 1 and 2 on Expropriation Plan No. YR2818461, as in YR2818461.

All registered in the Land Registry Office for the Land Titles Division of York Region (No. 65).

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

**1. Instruments on Title to be deleted from the Firstly described lands, as set out in Schedule B.**

<b>Instrument No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
YR2192811	2014/09/26	Charge	\$20,000,000	2305992 Ontario Inc.	MarshallZehr Group Inc.
YR2192812	2014/09/26	No Assgn Rent Gen		2305992 Ontario Inc.	Marshallzehr Group Inc.
YR2513878	2016/07/27	Transfer		YH Richmond Hill	2305992 Ontario Inc.
YR2981230	2019/07/09	Charge	\$5,500,000	2305992 Ontario Inc.	2704553 Ontario Inc.
YR3040602	2019/11/29	Construction Lien	\$20,780	Weston Consulting Group Inc.	
YR3047211	2019/12/16	Application Court Order (Remarks: Appointing Receiver)		Ontario Superior Court of Justice	RSM Canada Limited
YR3054586	2020/01/09	Certificate of Action		Weston Consulting Group Inc.	

**2. Instruments on Title to be deleted from the Secondly described lands, as set out in Schedule B.**

<b>Instrument No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
YR2192811	2014/09/26	Charge	\$20,000,000	2305992 Ontario Inc.	MarshallZehr Group Inc.
YR2192812	2014/09/26	No Assgn Rent Gen		2305992 Ontario Inc.	Marshallzehr Group Inc.
YR2257896	2015/02/20	Expropriation Plan			
YR2513878	2016/07/27	Transfer		YH Richmond Hill	2305992 Ontario Inc.
YR2981230	2019/07/09	Charge	\$5,500,000	2305992 Ontario Inc.	2704553 Ontario Inc.
YR3040602	2019/11/29	Construction Lien	\$20,780	Weston Consulting Group Inc.	
YR3047211	2019/12/16	Application Court Order (Remarks: Appointing Receiver)		Ontario Superior Court of Justice	RSM Canada Limited
YR3054586	2020/01/09	Certificate of Action		Weston Consulting Group Inc.	

**3. Deletion from Thumbnail Description of Property Identifier No. 03156-0552 (LT)**

**SUBJECT TO** Temporary Easement for a period of 4 years commencing upon registration of this plan over Parts 3 and 4 on Expropriation Plan No. YR2257896, as in YR2257896.



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

**(unaffected by the Vesting Order)**

**Permitted Encumbrances registered against title to the Firstly described lands, as set out in  
Schedule B.**

1. Instrument No. LT44126 registered on May 15, 1981 - Notice of Agreement with The Corporation of the Town of Richmond Hill.
2. Instrument No. LT88247 registered on July 19, 1982 - Notice of Agreement with The Corporation of the Town of Richmond Hill.
3. Instrument No. LT1488237 registered on June 12, 2000 – Transfer of Easement in favour of The Corporation of the Town of Richmond Hill.

**Permitted Encumbrances registered against tile to the Secondly described lands, as set out  
in Schedule B.**

1. Instrument No. LT69477 registered on December 17, 1981 - Notice of Subdivision Agreement with The Corporation of the Town of Richmond Hill.
2. Instrument No. LT74777 registered on February 17, 1982 - Transfer of Easement in favour of The Corporation of the Town of Richmond Hill.
3. Instrument No. LT789803 registered on October 3, 1991 - partial Release relating the Easement set out in Instrument No. LT225225.
4. Instrument No. YR1882796 registered on September 10, 2012 - Transfer of Easement in favour of Rogers Communications Inc.
5. Instrument No. YR2802957 registered on March 7, 2018 - Certificate of Approval.
6. Instrument No. YR2818461 registered on April 20, 2018 - Plan Expropriation.

MARSHALLZEHR GROUP INC.  
Applicant

2305992 ONTARIO INC.  
and Respondent

Court File No.: CV-19-00628446-00 CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE -**  
**COMMERCIAL LIST**

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Kyla Mahar LSO#: 44182G**

kmahar@millerthomson.com  
Tel: 416.597.4303 / Fax: 416.595.8695

**Asim Iqbal LSO# 61884B**

aiqbal@millerthomson.com  
Tel: 416.595.2975 / Fax: 416.595.8695

Lawyers for RSM Canada Limited in its  
capacity as Court-appointed Receiver of  
2305992 Ontario Inc.



# APPENDIX “C”

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

THE HONOURABLE MR. JUSTICE  
McEWEN

)  
)  
)

WEDNESDAY, THE 1ST  
  
DAY OF APRIL, 2020

BETWEEN:



**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**INTERIM DISTRIBUTION ORDER**

**THIS MOTION**, made by RSM Canada Limited in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of the assets, undertakings and properties of 2305992 Ontario Inc. (the “**Debtor**”), seeking, among other relief, an order approving the Second Report of the Receiver dated March 16, 2020 (the “**Second Report**”) and authorizing the Receiver to make certain distribution and sealing the confidential appendices to the Second Report, was heard by teleconference due to the COVID-19 crisis.

**ON READING** the Second Report, and on hearing the submissions of counsel for the Receiver and other interested parties, no other party appearing although properly served as appears on the Affidavit of Service of Cindy Foote sworn March 17, 2020, filed:

## DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used but not otherwise defined in this Order are defined in the Second Report.

## SERVICE

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is abridged and validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.

## APPROVAL OF RECEIVER'S ACTIVITIES

3. **THIS COURT ORDERS** that the Second Report and the conduct and activities of the Receiver set out therein are approved, provided 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.

## INTERIM DISTRIBUTIONS

4. **THIS COURT ORDERS** that, upon the closing of the Successful Transaction or the Back-Up Transaction, the Receiver is authorized and directed to make the following distributions (in the order of priority set out below) from and to the extent of the proceeds available for distribution from the closing of the Successful Transaction or Back-Up Transaction (as the case may be, the "**Sale Proceeds**");

- (a) to the beneficiaries of the Receiver's Charge (as defined in the Order of Justice McEwen dated October 9, 2019 (the "**Receivership Order**")) on account of all unpaid professional fees and disbursements;
- (b) to MarshallZehr Group Inc. ("**MZ**") on account of outstanding principal and interest in respect of amounts advanced to the Receiver that are secured by the Receiver's Borrowing Charge (as defined in the Receivership Order); and
- (c) to claimants on account of claims that rank in priority to the secured claims of MZ (if any);

- (d) to MZ, up to the amount of the indebtedness owed by the Debtor to MZ on account of outstanding principal and interest (excluding fees, costs and “wrap up” interest) that is secured under the First Mortgage.

**SEALING ORDER**

5. **THIS COURT ORDERS** that the Confidential Appendices 1, 2 and 3 to the Second Report are sealed until completion of the Successful Transaction or the Back-Up Transaction (as the case may be) or further Order of this Court.



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

APR 01 2020

PER / PAR: *RW*

MARSHALLZEHR GROUP INC.  
Applicant

2305992 ONTARIO INC.  
and Respondent

Court File No.: CV-19-00628446-00 CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**INTERIM DISTRIBUTION ORDER**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Kyla E.M. Mahar (LSO# 44182G)**

kmahar@millerthomson.com

**Asim Iqbal (LSO# 61884B)**

aiqbal@millerthomson.com

Tel: 416.595.2975 / Fax: 416.595.8695

Lawyers for RSM Canada Limited, in its capacity  
as Court-appointed Receiver of 2305992 Ontario  
Inc.

# APPENDIX “D”

## SETTLEMENT AGREEMENT

THIS AGREEMENT (the “**Agreement**”) effective as of June 15, 2020

**BETWEEN:**

**MARSHALLZEHR GROUP INC.**, a company incorporated  
under the laws of Ontario

(“**MZ**”)

- and -

**2704553 ONTARIO INC.**, a company incorporated under the  
laws of Ontario

(“**2704553**”)

- and -

**2305992 ONTARIO INC.**, a company incorporated under the  
laws of Ontario

(the “**Debtor**”)

(collectively, the “**Parties**”)

### WHEREAS:

- A. Pursuant to an application brought by MZ, an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) was made on November 28, 2019 (the “**Receivership Order**”), pursuant to which RSM Canada Limited (“**RSM**”) was appointed receiver and manager (the “**Receiver**”) of the assets, properties and undertakings of the Debtor;
- B. At the time of granting of the Receivership Order, the Debtor was the registered owner of real property municipally known as 9740, 9750 and 9760 Yonge Street, Richmond Hill, Ontario (the “**Property**”)
- C. Pursuant to a Sale Process Approval Order dated January 9, 2020, the Receiver marketed and sold the Property;
- D. The sale was approved by the Court pursuant to an Approval and Vesting Order dated April 1, 2020 and closed on April 15, 2020;



E. MZ is the first secured creditor of the Debtor pursuant to, among other things, a Charge in the principal amount of \$20,000,000 registered against the Property as instrument number YR2192811 (the “MZ Charge”);

F. 2704553 is the second secured creditor over the Property pursuant to a Charge in the principal amount of \$5,500,000 registered against the Property as instrument number YR2981230 (the “2704553 Charge”);

G. Pursuant to the Interim Distribution Order dated April 1, 2020, the Receiver distributed MZ’s outstanding principal and simple interest under the MZ Charge to MZ;

H. In addition to the amounts paid under the Interim Distribution Order, as of April 1, 2020, MZ was owed \$6,408,031.81 on account of wrap up interest, administrative and amendment fees and legal fees and disbursements;

I. The funds held by the Receiver are insufficient to repay MZ the remaining amounts it is owed by the Debtor;

J. MZ advised the Debtor and 2704553 that it would be bringing a motion seeking a Final Distribution Order seeking payment of the all of the remaining funds held by the Receiver after payment of Receiver and its counsel’s fees and disbursements and costs of a bankruptcy;

K. The Debtor and 2704553 advised MZ that it would likely oppose its motion;

L. Rather than get into contested litigation, the Parties have agreed to settle all outstanding issues between them on the terms set out herein to allow for a final distribution to be made by the Receiver and the Receiver to be discharged.

**NOW THEREFORE**, in consideration of the covenants and agreements set out herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The Parties acknowledge and agree that the above Recitals are true and accurate and form an integral part of this Agreement.
2. The Parties hereby agree that after payment of all costs of the Receivership Proceedings including the funding of administrative costs of a bankruptcy of the Debtor, the fees and disbursements of the Receiver and its counsel to the date of discharge, and payment of MZ’s legal fees, that the remaining funds held by the Receiver will be distributed as follows:
  - (a) to MZ except for 25% of the remaining funds held by the Receiver to a maximum of \$500,000; and
  - (b) to 2704553, or as it may otherwise direct, 25% of the remaining funds held by the Receiver to a maximum of \$500,000.





3. 2704553 and the Debtor acknowledge and agree that each shall consent to the motion in the Receivership Proceedings seeking to approve this Settlement Agreement, approve the Receiver's conduct and fees, authorize the payment of MZ's legal fees, authorize the bankruptcy of the Debtor, approve a final distribution in accordance with paragraph 2 above and discharge the Receiver.
4. 2704553, the Debtor and MZ shall enter into a mutual release;
5. This implementation of the terms set out in this Agreement is conditional upon the Receiver receiving and reviewing 270's loan and security documents and confirming the validity of the 270 Charge.
6. This Agreement shall be subject to approval of the Receiver and the Court.
7. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the Parties hereby submit to the jurisdiction of the Courts in the Province of Ontario.
8. This Agreement may be executed in several counterparts each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear date as of the date of this Agreement.
9. This Agreement shall be considered properly executed by any party if executed and transmitted by facsimile or other electronic means to the other parties.

**IN WITNESS WHEREOF** the Parties have signed this Agreement the 26<sup>th</sup> day of June 2020.

**MARSHALLZEHR GROUP INC.**

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

Name: Cecil Hayes  
Title: Chief Operating Officer  
*(I have authority to bind the  
corporation)*



3. 2704553 and the Debtor acknowledge and agree that each shall consent to the motion in the Receivership Proceedings seeking to approve this Settlement Agreement, approve the Receiver's conduct and fees, authorize the payment of MZ's legal fees, authorize the bankruptcy of the Debtor, approve a final distribution in accordance with paragraph 2 above and discharge the Receiver.
4. 2704553, the Debtor and MZ shall enter into a mutual release;
5. This implementation of the terms set out in this Agreement is conditional upon the Receiver receiving and reviewing 270's loan and security documents and confirming the validity of the 270 Charge.
6. This Agreement shall be subject to approval of the Receiver and the Court.
7. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the Parties hereby submit to the jurisdiction of the Courts in the Province of Ontario.
8. This Agreement may be executed in several counterparts each of which when so executed shall be deemed to be an original, and such counterparts shall constitute one and the same instrument and notwithstanding the date of execution shall be deemed to bear date as of the date of this Agreement.
9. This Agreement shall be considered properly executed by any party if executed and transmitted by facsimile or other electronic means to the other parties.

**IN WITNESS WHEREOF** the Parties have signed this Agreement the 26<sup>th</sup> day of June 2020.

**MARSHALLZEHR GROUP INC.**

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



Name: Cecil Hayes  
Title: Chief Operating Officer  
*(I have authority to bind the corporation)*

**2704553 ONTARIO INC.**

Per:

\_\_\_\_\_  
Name: Nick Ierfino  
Title: Authorized Signing Officer



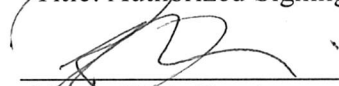
\_\_\_\_\_  
Name: Rudy Trevisan  
Title: Authorized Signing Officer

(We have authority to bind the Corporation)

**2305992 ONTARIO INC.**

Per:

\_\_\_\_\_  
Name: Nick Ierfino  
Title: Authorized Signing Officer



\_\_\_\_\_  
Name: Rudy Trevisan  
Title: Authorized Signing Officer

(We have authority to bind the Corporation)



# APPENDIX “E”

**RSM Canada Limited**  
**Court Appointed Receiver and Manager of 2305992 Ontario Inc.**  
**Interim Statement of Receipts and Disbursements**  
**For the period November 28, 2019 to June 26, 2020**

Receipts		
Proceeds from Sale of Property	\$	29,900,000
Receiver's Certificate #1		250,000
Interest		422
Total receipts	\$	<u>30,150,422</u>
Disbursements		
Property Taxes	\$	109,619
Fees on Receiver's Borrowings		20,250
Advertising - Sale of Property		8,391
Property Insurance		3,500
Miscellaneous		3,110
HST Paid		32,051
Receiver's Fees - Interim		120,000
Legal Fees - Interim		117,211
Total disbursements	\$	<u>414,131</u>
<b>Excess of Receipts over Disbursements</b>	<b>\$</b>	<b><u>29,736,291</u></b>
Less: Repayment of Receiver's Certificate #1, plus accrued interest	\$	255,206
Distribution to MarshallZehr (re: mortgage principal and interest)		27,250,504
Total payments to secured lender	\$	<u>27,505,709</u>
<b>Net funds available for distribution (Note 1)</b>	<b>\$</b>	<b><u>2,230,581</u></b>
<b>Represented by:</b>		
Cash		130,581
Term Deposit		2,100,000
<b>Total</b>	<b>\$</b>	<b><u>2,230,581</u></b>

**Note 1** This amount is prior to the distribution of the remaining fees of the Receiver and its counsel, costs to fund the bankruptcy, MarshallZehr's legal fees, and distributions to secured creditors pursuant to the Settlement Agreement.

# APPENDIX “F”

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

B E T W E E N :

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**AFFIDAVIT OF BRYAN A. TANNENBAUM**  
**(Sworn June 26, 2020)**

I, **BRYAN A. TANNENBAUM**, of the City of Toronto, in the Province of Ontario,  
**MAKE OATH AND SAY:**

1. I am the president of RSM Canada Limited ("**RSM**") and as such I have personal knowledge of the matters to which I hereinafter depose, save and except those matters based upon information and belief, in which case I have stated the source of such facts, all of which I verily believe to be true.
2. Pursuant to an order of the Court dated November 28, 2019, RSM was appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings

and properties of 2305992 Ontario Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof.

3. Attached hereto and marked as **Exhibit "A"** to this my affidavit are copies of invoices issued by RSM for fees and disbursements incurred by RSM in respect of the receivership proceedings for the period November 28, 2019 to June 15, 2020, and estimated to completion (the "**Period**"). The total fees charged for the Period are \$290,990.50, plus HST of \$37,828.77 for a total of \$328,819.27. The average hourly rate charged during the Period, excluding the estimated fees to completion, was \$619.16.

4. The invoices are a fair and accurate description of the services provided and the amounts charged by RSM for the Period.

5. Attached hereto and marked as **Exhibit "B"** is a schedule summarizing the invoices in Exhibit "A", the total billable hours charged, the total fees charged and the average hourly rate charged.

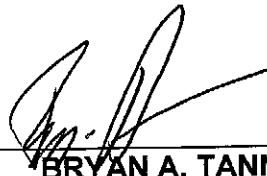
6. I make this affidavit in support of a motion for an Order approving the Receiver's fees and disbursements and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 26<sup>th</sup> day of June, 2020 by videoconference due to COVID-19

*H. Mahar*

A Commissioner, etc.

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**BRYAN A. TANNENBAUM**



**THIS IS EXHIBIT "A" REFERRED TO IN THE  
AFFIDAVIT OF BRYAN A. TANNENBAUM**



GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
**Licensed Insolvency Trustee**  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited, Court-Appointed Receiver  
 and Manager of 2305992 Ontario Inc.  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** March 11, 2020

**Client File** 7876059  
**Invoice** 1  
**No.**

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2305992 Ontario Inc. for the period ending February 29, 2020.

Date	Professional	Description
09/19/2019	Bryan Tannenbaum	Meeting at Miller Thomson LLP ("MT") with K. Mahar and E. Popov to plan timing, etc.
11/28/2019	Bryan Tannenbaum	Attend Court for appointment Order; discussion with K. Mahar re plan moving forward; open account, etc.
11/28/2019	Jeff Berger	Receipt and review of Application Record and Appointment Order; discuss file with B. Tannenbaum; review of documents in MarshallZehr Group Inc. ("MZ") data room; arrange for liability insurance.
11/29/2019	Bryan Tannenbaum	Receipt and review of MT email with letter offer from 2435960 Ontario.
12/02/2019	Bryan Tannenbaum	Receipt and review of Judges reasons to appoint RSM; meeting with J. Berger to discuss outstanding matters and emails to be sent; draft email to MZ re marketing process.
12/03/2019	Jeff Berger	Email to J. Shapiro re request for information.
12/04/2019	Bryan Tannenbaum	Receipt and review of J. Shapiro emails re bank account information, property tax bill, site-plan resubmission correspondence, Wagner Andrews & Kovacs Ltd. appraisal dated June 1, 2018, Turner Fleischer Architects Inc. drawings, final approved by-law and minor variance application, Phase I ESA, financial statements, LOI of November 27, 2019, CBRE brochure, engineering drawings, HST Notice of Assessment for November 2018; attend meeting at MT with K. Mahar and J. Berger re planning and timetable; discuss same with J. Berger.
12/04/2019	Jeff Berger	Meeting with K. Mahar and B. Tannenbaum re Sale Process, proposed timeline, court approval, etc.; draft Confidentiality Agreement and forward to K. Mahar for review; prepare letter to Canada Revenue Agency re opening an HST account for receivership; review of information provided by J. Shapiro.
12/05/2019	Bryan Tannenbaum	Review data room index with J. Berger.

Date	Professional	Description
12/05/2019	Jeff Berger	Compile data room index and draft email to MZ re same; obtain quotes for security fence at property.
12/08/2019	Bryan Tannenbaum	Telephone call with J. Berger re meeting information for tomorrow, etc.
12/09/2019	Donna Nishimura	Assemble and prepare creditor mailing re Notice and Statement of Receiver (Section 245(1) and 246(1) of the Act).
12/09/2019	Jeff Berger	Attend at Ierfino & Associates' office to meet with J. Shapiro and J. Di Massimo re receivership, previous marketing efforts, review of books & records, etc.; discuss meeting with B. Tannenbaum; receipt and review of information provided by J. Shapiro; begin drafting the Receiver's Confidential Information Memorandum ("CIM"); finalize Receiver's BIA notices and coordinate mailing of same.
12/09/2019	Bryan Tannenbaum	Telephone call from Frank Protomanni of CBRE re potential for listing property.
12/10/2019	Donna Nishimura	Prepare and finalize Affidavit of Mailing of Notice and Statement of Receiver.
12/10/2019	Jeff Berger	Call with Canada Revenue Agency ("CRA") re HST filings and Receiver's authorization on account; call insurance broker re continuation of existing insurance policy/coverage; draft the Receiver's First Report; review of information provided by J. Shapiro subsequent to the December 9 <sup>th</sup> meeting; draft the CIM.
12/11/2019	Jeff Berger	Continue to draft the CIM, Teaser, Template Agreement of Purchase and Sale ("APS"), and forward same to E. Popov for review.
12/11/2019	Bryan Tannenbaum	Receipt and review of C. Hayes of MZ email of introduction to prospective purchaser; email to prospective purchaser for his contact details; telephone call with prospective purchaser.
12/12/2019	Jeff Berger	Arrange for continuation of debtor's insurance policy for the Receiver; cancel the Receiver's insolvency insurance coverage; call with B. Tannenbaum and K. Mahar re status of Receiver's First Report, Notice of Motion, Sale Process, etc.; calls from potential purchasers re Sale Process and anticipated timeline for same.
12/12/2019	Bryan Tannenbaum	Telephone call with K. Mahar re court approval of sale process not happening until new year per the Courts and discuss proceeding and timing of her review of the documents, etc.
12/13/2019	Bryan Tannenbaum	Prepare advanced notice of sale letter and list of recipients for same.
12/16/2019	Bryan Tannenbaum	Receipt and review of MT email re Acknowledgement and Direction to register Receiving Order on title and title search; execute same and return to MT.
12/17/2019	Bryan Tannenbaum	Receipt and review of MT email re the Receiver consents to the issuance of the statement of claim by Weston and certificate of action on the basis that they take no further step during the receivership.
12/18/2019	Bryan Tannenbaum	Receipt and review of K. Mahar email with edits on the sales documentation; receipt and review of K. Mahar email re no comments on data room; edit advance notice emails and review mailing list; review control mailing list and names of prospective purchasers.
12/18/2019	Jeff Berger	Prepare marketing materials for the sale process.
12/19/2019	Donna Nishimura	Send out Advance Notice Letters re sale of real estate via email and regular mail.

Date	Professional	Description
12/19/2019	Bryan Tannenbaum	Advance letters finalized; discussion with J. Berger re teaser brochure; email to MZ to request names of prospective purchasers known to MZ.
12/19/2019	Jeff Berger	Compile and review list of prospective purchasers with B. Tannenbaum; email to MZ re status of sale process, etc.; set up data room for sale process.
12/20/2019	Bryan Tannenbaum	Review teaser brochure; receipt and review of prospective purchaser email and response sent; letters to MZ contacts.
12/20/2019	Donna Nishimura	Send out Advance Notice Letters re sale of real estate via email and regular mail.
12/23/2019	Daniel Weisz	Review draft report, bidding procedures and form of order and discussion with J. Berger re same.
12/23/2019	Jeff Berger	Review and edit Receiver's First Report, Template APS, and Sale Process Bidding Procedures; discuss same with D. Weisz; call with A. Iqbal of MT to discuss the Receiver's First Report and changes thereto; respond to inquiries from prospective purchasers.
12/24/2019	Daniel Weisz	Review draft template APS, notice of motion and revised draft court order, report to court and bidding procedures; discussion with J. Berger on same.
12/24/2019	Jeff Berger	Review of MT comments on the draft First Report of the Receiver; discuss same with D. Weisz; revise the Receiver's First Report and related motion materials; draft newspaper advertisement and obtain quote from the Globe and Mail.
12/27/2019	Jeff Berger	Finalize marketing materials and arrange for initial email marketing campaign.
12/30/2019	Jeff Berger	Respond to numerous inquiries from prospective purchasers; update the CIM and post same to the data room; review of signed Confidentiality Agreements and provide data room access to prospective purchasers; call with J. Shapiro and J. Di Massimo re sale process; review and finalize the Receiver's First Report and related documents, and discuss same with B. Tannenbaum.
12/30/2019	Daniel Weisz	Review MT comments re APS and discussion with J. Berger on same.
12/31/2019	Jeff Berger	Respond to inquiries from prospective purchasers; review of Confidentiality Agreements and provide access to the online data room.
01/02/2020	Jeff Berger	Calls with prospective purchasers; data room set up and admin.
01/03/2020	Bryan Tannenbaum	Review of all emails from prospective purchasers responding to our email blast; various emails with MT re Court application; meeting with J. Berger to get update and send quick status report to MZ and MT; telephone call with prospective purchaser.
01/03/2020	Jeff Berger	Memo to MZ and counsel re status of Receiver's sale efforts, etc.; data room set up and admin.; calls from prospective purchasers.
01/06/2020	Bryan Tannenbaum	Receipt and review of debtor email and meet with J. Berger to provide answers and discuss status, etc.; receipt and review of CAs from prospective purchasers; telephone call from prospective purchaser re pricing and offer pending.
01/06/2020	Jeff Berger	Call with J. Shapiro and J. Di Massimo re Receiver's sale process and marketing materials; data room admin.; correspond with various prospective purchasers.

Date	Professional	Description
01/07/2020	Bryan Tannenbaum	Email to Mark Jakovcic re opportunity; review revised newspaper ad; email to targeted prospective purchasers; conference call with debtor J. Shapiro, J. Di Massimo and J. Berger; telephone call with J. Berger re signage for property.
01/07/2020	Jeff Berger	Finalize Globe and Mail ad; data room admin; correspond with prospective purchasers.
01/08/2020	Bryan Tannenbaum	Receipt and review of CA inquiries; telephone call from prospective purchaser re background of his past involvement with Property, etc.; review draft signage; telephone call from C. Hayes re status update; receipt and review of S. Atkinson email re status and response thereto; email to C. Hayes re targeted emails to prospective purchasers; email to C. Hayes providing the CAs received to date; receipt and review of prospective purchaser email for additional details and responding email sent.
01/08/2020	Jeff Berger	Arrange for signage to be placed on site at the property re sale; correspond with various prospective purchasers; data room administration.
01/09/2020	Bryan Tannenbaum	Email from prospective purchaser; email to developer; receipt and review of Novae Res Urbis ("NRU") advertising contract, sign and send to J. Berger; attend Court for approval of Sale Process.
01/09/2020	Jeff Berger	Arrange for advertisements in NRU and Sing Tao Daily; call with M. Lam re translation of ad to Cantonese for Sing Tao publication; correspond with various prospective purchasers regarding the sale of the property.
01/10/2020	Bryan Tannenbaum	Send emails to targeted list of prospective purchasers; telephone calls with various prospective purchasers.
01/10/2020	Jeff Berger	Respond to numerous inquiries from prospective purchasers; data room administration; confirm signage to be placed on site at the property.
01/12/2020	Jeff Berger	Finalize the template APS; discuss same with A. Iqbal; data room administration.
01/12/2020	Bryan Tannenbaum	Attend at the property.
01/13/2020	Daniel Weisz	Review A. Iqbal comment re APS, review APS and discussion with J. Berger on same.
01/13/2020	Jeff Berger	Review prospective purchaser's request to amend the Receiver's Confidentiality Agreement; discuss same with B. Tannenbaum and A. Iqbal; data room administration; prepare update memo to MZ and MT and discuss same with B. Tannenbaum.
01/14/2020	Jeff Berger	Review accounts and prepare Receiver's funding request to MZ; discuss same with B. Tannenbaum; review requested changes to Confidentiality Agreement with A. Iqbal; correspond with various prospective purchasers regarding the opportunity and the sale process.
01/14/2020	Bryan Tannenbaum	Telephone call from prospective purchaser re access to the data room.
01/15/2020	Jeff Berger	Correspond with various prospective purchasers regarding the sale of the property; review of executed CAs and provide data room access re same; call with K. Mahar re template APS, list of executed CAs, etc.
01/15/2020	Bryan Tannenbaum	Email from B. Chu re prospective purchaser; email to C. Hayes re status of sale process and APS template.
01/16/2020	Bryan Tannenbaum	Telephone call from prospective purchaser; send teaser brochure.

Date	Professional	Description
01/17/2020	Bryan Tannenbaum	Telephone call with prospective purchaser; receipt, review and execution of MZ commitment letter for Receiver's borrowings; return same.
01/17/2020	Jeff Berger	Correspond with various prospective purchasers; data room administration.
01/20/2020	Jeff Berger	Call with B. Tannenbaum, J. Di Massimo and J. Shapiro re status of Receiver's sale process; correspond with various prospective purchasers; data room administration.
01/20/2020	Bryan Tannenbaum	Receipt and review of prospective purchaser email re focusing on downtown Toronto; receipt and review of prospective purchaser email re prospective purchaser; emails from prospective purchaser.
01/21/2020	Jeff Berger	Correspond with numerous prospective purchasers regarding the sale of the property; data room administration; update memo to MZ re status of sale process; follow up with prospective purchasers who requested a CA but did not execute same.
01/21/2020	Bryan Tannenbaum	Receipt and review of emails from prospective purchasers; telephone call with prospective purchaser; conference call with J. Shapiro and J. Di Massimo of Debtor re advertisements, number of CAs, title search.
01/22/2020	Jeff Berger	Exchange calls and emails with various prospective purchasers; data room administration; correspond with Masters Insurance re pending renewal of policy.
01/23/2020	Bryan Tannenbaum	Telephone call with prospective purchaser and send him CA, etc.; telephone call with prospective purchaser re Receiver's sale process and send follow-up email; meeting with consultant/prospective purchaser.
01/24/2020	Jeff Berger	Exchange calls and emails with various prospective purchasers; data room administration.
01/27/2020	Bryan Tannenbaum	Telephone call with prospective purchasers and send information as follow-up to calls; execute Receivers Certificate.
01/27/2020	Jeff Berger	Correspond with various interested parties regarding the Receiver's sale process; data room administration; call with A. Iqbal re insurance policy renewal.
01/28/2020	Bryan Tannenbaum	Receipt and review of prospective purchaser email; receipt and review of weekly status report from J. Berger.
01/28/2020	Jeff Berger	Send update email to MZ and counsel regarding the status of the Receiver's sale process; correspond with various interested parties regarding the sale process; data room administration.
01/29/2020	Bryan Tannenbaum	Telephone call from prospective purchaser and responding email.
01/29/2020	Jeff Berger	Correspond with prospective purchasers regarding the sale process, bid timelines, etc.; data room administration.
01/30/2020	Bryan Tannenbaum	Correspond with various prospective purchasers and provide CAs and other marketing materials.
02/03/2020	Bryan Tannenbaum	Telephone call from prospective purchaser re data room and offer; email from prospective purchaser re valuation and response sent.
02/04/2020	Bryan Tannenbaum	Receipt and review of MT email attaching Weston lien claim; email to accept service and advise them leave of Court required to continue, etc.
02/04/2020	Jeff Berger	Exchange calls and emails with prospective purchasers regarding the sale process; data room administration.

Date	Professional	Description
02/05/2020	Bryan Tannenbaum	Receipt and review of prospective purchaser email for CA and send same; receipt and review of insurance emails.
02/05/2020	Jeff Berger	Arrange for continuation of insurance; exchange emails with N. Marchese re same; review of changes to CA put forward by prospective purchaser and forward to A. Iqbal for comments; data room administration.
02/06/2020	Bryan Tannenbaum	Receipt and review of S. Atkinson email re any offers, etc.; response sent.
02/06/2020	Jeff Berger	Data room administration; status report to MZ; correspond with prospective purchasers re bid deadlines, form of offer, etc.
02/07/2020	Daniel Weisz	Review and sign cheques.
02/07/2020	Bryan Tannenbaum	Correspond with various prospective purchasers re sale process, timelines, offer process, etc.
02/07/2020	Anne Baptiste	Process receipt in Ascend; prepare disbursement cheques; mail disbursement cheques; prepare banking reconciliation.
02/07/2020	Jeff Berger	Data room administration; correspond with various prospective purchasers.
02/10/2020	Brenda Wong	Review signed CA from prospective purchaser, send invite to data room and email confirmation of same; update master list; respond to inquiries from prospective purchasers; send invites to data room; email to HUB re insurance; prepare cheque requisition for insurance invoice; make correction to CIM and upload to data room.
02/10/2020	Bryan Tannenbaum	Email to prospective purchaser re APS word document request; receipt and review of J. Shapiro email requesting summary of offers; response sent re cannot do this; receipt and review of call from prospective purchaser and send information.
02/11/2020	Brenda Wong	Review/respond to calls/emails from prospective purchasers; send Word copy of APS to parties who have requested it; call from broker re questions on the sales process and respond to email re same; call and fax to City of Richmond Hill re property tax account; review emails from MT re encumbrances.
02/11/2020	Bryan Tannenbaum	Address inquiries regarding word copy of APS; telephone call from prospective purchaser and many questions (3 calls); email to MT re title search/encumbrances; email debtor re Letters of Credit ("LC"), if any; receipt and review of MT response re encumbrances for title search and response sent; receipt and review of A. Iqbal email re permitted encumbrances in title; email from K. Mahar re same; receipt and review of J. Shapiro email confirming no LC's.
02/12/2020	Brenda Wong	Respond to inquiry re deposit; review offer received and start preparing summary of offers; call and emails with prospective purchaser, send CA and send invite to data room; call from purchaser re deposit cheque and Word copy of APS; update master list.
02/12/2020	Bryan Tannenbaum	Receipt and review of MZ contact as prospective purchaser; email response; receipt and review of email questions for offer from prospective purchaser; telephone call from C. Hayes re status; receipt and review of K. Mahar email re Word copy request of APS and response sent.
02/13/2020	Bryan Tannenbaum	Receipt and review of email from prospective purchaser; telephone call from prospective purchaser re submit an offer and asking about price; email to K. Mahar re summarizing offers; email to prospective purchaser re offer; email from prospective purchaser re word APS and response sent; meet with

Date	Professional	Description
		prospective purchaser re delivery of offer; receipt and review of B. Tucci email with CIBC financial reference; receipt and review of offers received; review same with K. Mahar and C. Hayes.
02/14/2020	Anne Baptiste	Prepare disbursement cheque.
02/14/2020	Brenda Wong	Review offers received and prepare summary of offers; review CA received and send invitation to the data room.
02/14/2020	Bryan Tannenbaum	Telephone call from offeror re offer increase; receipt and review of offeror Word version for comparison; receipt and review of prospective purchaser email re CA and response sent; email to offeror re offer to be original with deposit, etc.; review Summary of Offers; send to MZ and MT.
02/18/2020	Brenda Wong	Call from user having trouble accessing the data room.
02/18/2020	Bryan Tannenbaum	Follow up email to JD Developments re offer documents; telephone call from J. Di Massimo; telephone call from M. Ma for JD Developments regarding sending original documents and deposit, etc.; telephone call from M. Ma re clarification and sending offer and deposit cheque; telephone call from offeror; email from M. Ma with the revised offer documents; forward same to C. Hayes; receipt and review of JD original offer by courier.
02/19/2020	Brenda Wong	Review offeror revised APS and blacklined changes; call with B. Tannenbaum, MT, and MZ to discuss offers.
02/19/2020	Bryan Tannenbaum	Telephone call from offeror re status of their offer; conference call with MT (K. Mahar/A. Iqbal), MZ (C. Hayes/D. Marshall) and J. Berger re review of offers and action plan for the 3 highest offers; email to M. Ma of JD for a call to seek clarification on their offer; receipt and review of D. Marshall email to JD Developments; receipt and review of email from offeror as to status of their offer; response sent that we will be back to them by Friday/Monday; set up conference call with JD for tomorrow; receipt and review of offeror email re status of their offer; telephone call with prospective purchaser re non-offer; email from JD re reason for call and response sent; telephone call from offeror re offer status.
02/19/2020	Jeff Berger	Call with K. Mahar, C. Hayes, B. Tannenbaum and A. Iqbal to discuss the merits of the offers received.
02/20/2020	Bryan Tannenbaum	Conference call with JD Developments, J. Berger and MT (K. Mahar and A. Iqbal) to discuss financing proof, etc.; receipt and review of A. Iqbal draft email to JD; comments provided.
02/20/2020	Jeff Berger	Conference call with one of the offerors to discuss their offer and ability to close, etc.
02/21/2020	Anne Baptiste	Filing of banking documentation; prepare disbursement cheques.
02/21/2020	Bryan Tannenbaum	Prepare notes from JD Developments conference call of yesterday; receipt and review of MT email to JD Developments confirming details from yesterday's conference call; telephone call from P. Zivontis and C. Shaule of Business Financial & Realty inquiring about JD Developments offer.
02/23/2020	Bryan Tannenbaum	Email to offeror to arrange a call for tomorrow; email to K. Mahar re call from P. Zivontis/C. Schule of Business Financial regarding JD offer.
02/24/2020	Echa Odeh	Draft email to City of Richmond Hill and send email; prepare cheque requisition for property taxes; prepare letters to bidders re unsuccessful sales bid; send letters.



Date	Professional	Description
02/24/2020	Bryan Tannenbaum	Telephone call from C. Hayes re status; email to JD re status of their financing and Business Financial & Realty involvement; receipt and review of M. Ma response; receipt and review of offeror email as to status of their offer and response sent; conference call with offeror and J. Berger re condition in offer and best and final offer; telephone call from offeror re offer status; sign letters to prospective purchasers rejecting offers and returning deposits; telephone call from C. Hayes re JD seeking financing from MZ, etc.; receipt and review of property tax bill.
02/24/2020	Jeff Berger	Review letters to unsuccessful bidders and discuss same with E. Odeh; meet with B. Tannenbaum to discuss status of offers.
02/25/2020	Bryan Tannenbaum	Telephone call with G Group re highest and final offer; receipt and review of MT analysis on the JD documents; conference call with MT (K. Mahar/A. Iqbal) to discuss same and letter to highest bidders for resubmission; telephone call from M. Ma of JD re status; receipt and review of offeror email re guidance for resubmission; review MT email; send responding email to M. Ma for additional information from JD; telephone call with M. Ma re revised FN letter.
02/25/2020	Jeff Berger	Email to bidders re request for resubmission of offers; calls with prospective purchasers re same; call with MT to discuss status of offers, concerns regarding offerors ability to close a transaction, request for resubmissions, etc.; review and provide comments to A. Iqbal re draft email to bidder.
02/26/2020	Bryan Tannenbaum	Receipt and review of prospective purchaser inquiry; responding email sent; conference call with JD Developments regarding FN revised letter dated February 25, 2020; email to MT re our conversation with JD; return offer and deposit to unsuccessful bidder; receipt and review of J. Shapiro email re timing for court and response re same.
02/26/2020	Jeff Berger	Correspond with prospective purchasers re resubmission of offers.
02/27/2020	Bryan Tannenbaum	Receipt and review of K. Mahar email re agrees with us on JD financing abilities; responding email sent; meeting with G Group at our offices re delivery of revised offer; email re JD will send revised offer shortly; review second round offers and discuss with K. Mahar, etc.
02/27/2020	Jeff Berger	Receipt and review of revised offers for property; discuss same with B. Tannenbaum and K. Mahar; call and meet with various offerors to discuss their revised offers; update offer summary and circulate.
02/28/2020	Bryan Tannenbaum	Review summary of offers; forward the offers to MT for review; conference call with K. Mahar and A. Iqbal re 2 offers and deciding on acceptance; discussions with J. Berger, etc.
02/28/2020	Jeff Berger	Draft Receiver's Second Report to court; discuss same with A. Iqbal; discuss resubmitted offers with B. Tannenbaum; calls with certain offerors to discuss status of Receiver's decision, etc.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	72.50	\$ 750	\$ 54,375.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	4.40	\$ 725	3,190.00
Brenda Wong, CIRP, LIT	Senior Manager	6.90	\$ 625	4,312.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	127.70	\$ 525	67,042.50
Echa Odeh	Senior Associate	1.50	\$ 225	337.50
Anne Baptiste/Donna Nishimura	Estate Administrator	3.40	\$ 110	374.00
<b>Total hours and professional fees</b>		<b>216.40</b>		\$ 129,631.50
HST @ 13%				16,852.10
<b>Total payable</b>				<b>\$ 146,483.60</b>

**VISA/MASTERCARD**

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

**WIRE PAYMENT DETAILS**

Please contact Donna Nishimura at 647.727.3552 for wire instructions.



GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
**Licensed Insolvency Trustee**  
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 Toronto, ON M5H 4C7

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 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited, Court-Appointed Receiver  
 and Manager of 2305992 Ontario Inc.  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** April 16, 2020

**Client File** 7876059  
**Invoice** 2  
**No.**

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2305992 Ontario Inc. for the period March 1, 2020 to March 31, 2020.

Date	Professional	Description
03/02/2020	Jeff Berger	Emails to prospective purchasers re third round offer submission deadline; update Statement of Receipts & Disbursements and discuss same with B. Tannenbaum.
03/02/2020	Bryan Tannenbaum	Return of rejected offers; telephone call from K. Mahar of Miller Thomson LLP ("MT") re status of offers; telephone call with K. Mahar and MarshallZehr Group Inc. ("MZ") re status of offers; telephone call and email to J. Fried of Fogler, Rubinoff LLP ("Fogler") re independent counsel for legal opinion.
03/03/2020	Jeff Berger	Correspond with remaining bidders re 3rd round submission requirements; review of 3rd round offers; draft summary of same; call with K. Mahar and B. Tannenbaum to discuss results of 3rd round and Receiver's next steps; email to Successful Bidder re acceptance of offer and next steps; draft letter to unsuccessful bidder re rejection of offer.
03/03/2020	Bryan Tannenbaum	Receipt and review of J. Fried email requesting principal and guarantor details for conflict check; forward corporate profile and demand letter from the Application Record; receipt and review of Weston service letter from MT; letter to unsuccessful bidder returning their deposit; telephone call from unsuccessful bidder re same; receipt of 3rd round offers and conference call to discuss acceptance and MZ wrap up interest; emails to JD Development Group and G Group; receipt and review of JD Development Group ("JD") email with their Word copy of Agreement of Purchase and Sale ("APS"); telephone call with M. Ma re next steps; email to MT to review and change wording for changes to the sale process, etc.; email to MT to forward security documentation to Fogler.
03/04/2020	Jeff Berger	Email to Back Up Bidder re status of offer and next steps; discuss same with B. Tannenbaum and A. Iqbal of MT.
03/04/2020	Bryan Tannenbaum	Receipt and review of G Group Word offer; receipt and review of email to MT re same; email to J. Berger re inform G Group that we will accept their offer as

Date	Professional	Description
		our back up position, etc.; receipt and review of email to G Group; receipt and review of various emails between MT and Fogler re security, real and personal property, etc.; receipt and review of revised APS from MT for signature by JD Development Group; discuss with J. Berger and sign, etc.; receipt and review of MZ email re status; response sent; receipt and review of MT email to Fogler attaching index of documents.
03/05/2020	Donna Nishimura	Deposit cheque at the bank.
03/05/2020	Jeff Berger	Draft second report and send to A. Iqbal; review HST status and discuss with E. Odeh re same.
03/05/2020	Bryan Tannenbaum	Discuss with J. Berger re Canada Revenue Agency; respond to MT; receipt and review of JD executed APS and response sent; telephone call from MZ re status and timing of Court application, etc.; receipt and review of MT email regarding the amendment to G Group second bid offer; receipt and review of MT comments on G Group agreement and comments provided by us as well; receipt and review of K. Mahar's response agreeing.
03/06/2020	Anne Baptiste	Prepare disbursement cheques; process receipt in Ascend; filing of banking documentation.
03/06/2020	Jeff Berger	Review third round offer submissions and discuss same with B. Tannenbaum, K. Mahar and A. Iqbal; respond to purchasers re status of offers.
03/06/2020	Bryan Tannenbaum	Receipt and review of wording amendments to G Group offer; acknowledgement email from M. Ma; execute G Group back up bid documentation, etc.
03/09/2020	Bryan Tannenbaum	Email from C. Braithwaite of Lennard re prospective purchaser; response sent that property now under contract; second email to provide information; teaser sent; receipt and review of prospective purchaser email; reply sent.
03/10/2020	Jeff Berger	Follow up with back-up purchaser re signed APS; review and respond to email from debtor re status of sale process.
03/10/2020	Bryan Tannenbaum	Email to G Group to follow up for receipt of their document; receipt and review of MT email re timing; email to MT re advising JD and MZ re same; receipt and review of Fogler draft security opinion; receipt and review of G Group executed offer as back-up bidder; telephone call with K. Mahar re security opinion from J. Fried, MZ payout statement, court report and timing of closing; receipt and review of debtor email inquiring as to the status and discuss same with J. Berger for his response.
03/11/2020	Echa Odeh	Review of corporate engagement website and organize for additional documents to be uploaded.
03/11/2020	Jeff Berger	Call with B. Tannenbaum, K. Mahar and A. Iqbal re security opinions and Receiver's second report.
03/11/2020	Bryan Tannenbaum	Receipt and review of email from prospective purchaser and reply sent; telephone call with F. Protomanni re status; conference call with J. Fried and K. Mahar re security opinion; receipt and review of offeror email regarding the successful bid amount; reply sent.
03/12/2020	Bryan Tannenbaum	Receipt and review of MT email to E. Bisciglia LLB re stay of proceedings.
03/13/2020	Anne Baptiste	Filing of banking documentation.

Date	Professional	Description
03/13/2020	Jeff Berger	Review and edit Second Report; discuss same with B. Tannenbaum; forward comments to MT for review; prepare appendices to Second Report.
03/13/2020	Bryan Tannenbaum	Receipt and review of MT email re extension to Vesting Order date given court availability and COVID-19 closings, etc.; receipt and review of draft report from MT; receipt and review of MT email to JD lawyer re Approval and Vesting Order ("AVO"), service and timing for Court approval, etc.; discuss Second Report with J. Berger and make edits.
03/14/2020	Bryan Tannenbaum	Receipt and review of revised report from MT; review same and provide comments.
03/16/2020	Bryan Tannenbaum	Receipt and review of MT email to JD counsel re comments on AVO; receipt and review of MT email attaching Fogler letter advising that they will be acting for JD on the closing of the sale; receipt and review of MT email regarding informing J. Fried and response sent; telephone call from prospective purchaser; email to MT re timing of service as I need to respond to MZ; receipt and review of MZ email inquiring as to expected realizations; my response sent re same; receipt and review of revised draft report from MT; receipt and review of MT email to Fogler re closing and service; receipt and review of J. Berger email to MT re summary of offers for confidential appendices to the Court report; approve report for my signature, etc.; receipt and review of service of Motion Record; forward same to MZ.
03/16/2020	Jeff Berger	Review and finalize the Receiver's Second Report and related appendices; discuss same with B. Tannenbaum.
03/17/2020	Bryan Tannenbaum	Receipt and review of MT email to Fogler re service list; email to MT re same.
03/17/2020	Anne Baptiste	Prepare bank reconciliation.
03/18/2020	Bryan Tannenbaum	Telephone call from M. Ma re timing to close sale given office shut down due to COVID-19; email re same to MT; receipt and review of MT response and they will draft timeline, etc.; emails re land registry hours.
03/19/2020	Bryan Tannenbaum	Receipt and review of M. Ma email re extension; email to MT re same; receipt and review of MT response; respond to M. Ma that so far, no delays, etc.; arrange for conference call with MT and JD; receipt and review of J. Shapiro email for a call.
03/20/2020	Bryan Tannenbaum	Conf. call with J. Berger, JD, Fogler, and MT re closing date; subsequent call with K. Mahar.
03/20/2020	Jeff Berger	Conference call with B. Tannenbaum and representatives of the purchaser to discuss closing timelines, court attendance, and other matters.
03/22/2020	Bryan Tannenbaum	Telephone call from prospective purchaser; receipt and review of email and response sent.
03/23/2020	Bryan Tannenbaum	Email to MT as we did not hear back from JD or Fogler.
03/24/2020	Bryan Tannenbaum	Email re any updates from JD; responding email from K. Mahar; conference call with J. Shapiro, J. Berger, J. Di Massimo re Motion Record, timing, NDA to get information, payment of wrap interest to MZ, etc.
03/24/2020	Jeff Berger	Call with J. Shapiro, J. Di Massimo and B. Tannenbaum to discuss the Receiver's motion, specifically the proposed interim distribution and the sale of the property.
03/25/2020	Bryan Tannenbaum	Receipt and review of MT email to D. Bleweis regarding process; call with MT (K. Mahar/A. Iqbal) regarding status of JD closing and D. Bleiwas requests;

Date	Professional	Description
		telephone call from M. Ma looking for reports for planning and asked her to provide email of information; receipt and review of M. Ma email requesting information; email to J. Berger re same; receipt and review of MT email to MZ re JD status and debtor requests, etc.; receipt and review of M. Ma email re further clarification.
03/25/2020	Jeff Berger	Call with B. Tannenbaum, K. Mahar and A. Iqbal re court attendance, closing timelines, etc.
03/26/2020	Bryan Tannenbaum	Receipt and review of MZ discharge statements; receipt and review of MT email re Court precedents for confidential information to Debtor if Confidentiality Agreement signed; receipt and review of MT email to MZ advising that discharge statement to be sent to the Debtor's counsel; receipt and review of MT email to MZ re why interest amounts changed from previous statement; receipt and review of MZ explanation to MT; telephone call from K. Mahar re her call with D. Bleweis ; receipt and review of K. Mahar email to D. Bleweis with discharge statements, etc.
03/27/2020	Bryan Tannenbaum	Receipt and review of MT email with case law; receipt and review of MT email citing case law to D. Bleweis; receipt and review of M. Ma email re additional planning information; receipt and review of D. Bleweis email regarding price disclosure irrespective of cases provided; receipt and review of K. Mahar email on D. Bleweis position and my response thereto; receipt and review of K. Mahar email that she will speak to D. Bleweis to review the report; receipt and review of K. Mahar email on her call with D. Bleweis.
03/30/2020	Bryan Tannenbaum	Receipt and review of D. Bleweis email re unopposed motion; receipt and review of MT email re factum in process and whether now necessary; response sent to MT; telephone call from M. Ma re court date going ahead and requesting again for more planning documents and submissions to City, etc., and timeline to get the documents; receipt and review of K. Mahar's response to JD requests.
03/31/2020	Jeff Berger	Call with J. Shapiro, J. Di Massimo and N. Ierfino regarding the debtor's HST registration status and purchaser's request for additional planning documents; discuss same with K. Mahar and B. Tannenbaum; email to K. Mahar and A. Iqbal re HST registration by co-owner, bankruptcy of co-owner, and Receiver's obligations re HST.
03/31/2020	Bryan Tannenbaum	Telephone call from prospective purchaser of units; HST issue discussed with J. Berger as the registrant is 229489 Ontario; telephone call with J. Berger re his call with debtors on HST filings/ITC's; receipt and review of MZ revised discharge statement.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

### FEE SUMMARY

<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	56.40	\$ 750	\$ 42,300.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	49.70	\$ 525	26,092.50
Echa Odeh	Senior Associate	0.30	\$ 225	67.50
Anne Baptiste/Donna Nishimura	Estate Administrator	0.80	\$ 110	88.00
<b>Total hours and professional fees</b>		<b>107.20</b>		\$ 68,548.00
HST @ 13%				8,911.24
<b>Total payable</b>				<b>\$ 77,459.24</b>

**VISA/MASTERCARD**

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

**WIRE PAYMENT DETAILS**

Please contact Donna Nishimura at 647.727.3552 for wire instructions.



GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
**Licensed Insolvency Trustee**  
11 King St W, Suite 700, Box 27  
Toronto, ON M5H 4C7

T +1 416 480 0160  
F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited, Court-Appointed Receiver  
and Manager of 2305992 Ontario Inc.  
c/o RSM Canada Limited  
11 King Street West, Suite 700  
Toronto, ON M5H 4C7

**Date** May 15, 2020

**Client File** 7876059  
**Invoice** 3  
**No.**

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2305992 Ontario Inc. for the period April 1, 2020 to April 30, 2020.

Date	Professional	Description
04/01/2020	Bryan Tannenbaum	Attend Court teleconference call for Approval and Vesting Order and Interim Distribution Order; prepare notes thereto; receipt and review of M. Ma email re status from Court today; receipt and review of Miller Thomson LLP ("MT") response; receipt and review of Endorsement, Approval and Vesting Order and Interim Distribution Order of Justice McEwen dated April 1, 2020 to the Service List.
04/01/2020	Jeff Berger	Prepare for and attend Court hearing re Approval and Vesting Order and Interim Distribution Order.
04/02/2020	Bryan Tannenbaum	Receipt and review of Debtor inquiry re Court results; email sent indicating Court approval granted; receipt and review of email re prospective purchaser and status; response sent.
04/03/2020	Bryan Tannenbaum	Receipt and review of M. Ma request for information; response sent; forward same to MT; receipt and review of MT response; another email from M. Ma providing previous email request; receipt and review of J. Berger response to M. Ma; telephone call from prospective purchaser.
04/06/2020	Bryan Tannenbaum	Receipt and review of Fogler, Rubinoff LLP ("Fogler") email with current tax certificate; receipt and review of JD Development Group ("JD") request for letters to the City and Consultants, etc.; discuss with J. Berger for response; email to MT re closing agenda.
04/07/2020	Bryan Tannenbaum	Conference call with K. Mahar, A. Iqbal of MT and J. Berger re closing documents, second distribution motion, JD requests, etc.
04/07/2020	Jeff Berger	Call with MT re status of transaction closing.
04/10/2020	Bryan Tannenbaum	Review closing documentation.
04/12/2020	Bryan Tannenbaum	Receipt and review of MT email re JD on track; execute legal documentation and return to MT.



Date	Professional	Description
04/13/2020	Bryan Tannenbaum	Receipt and review of JD email requesting direction letter to City and consultants; receipt and review of email to MT re same; receipt and review of MT email to J. Ip re letters of authorizations, etc.; telephone call with MarshallZehr Group Inc. ("MZ") re status of closing; receipt and review of MZ email to MT re lien registration; MT email to MZ re cleared by Vesting Order, etc.; review closing documents.
04/14/2020	Jeff Berger	Call with MT, Fogler and the Receiver to discuss the pending transaction and the closing thereof; draft interim distribution calculation; review Interim Distribution Order; attend to various other administrative matters.
04/14/2020	Bryan Tannenbaum	Receipt and review of MT email requesting signature for direction on closing; execute and send to MT, etc.; receipt and review of MT email regarding call with Fogler for 4 pm; receipt and review of MT direction of funds; execute and return; conference call with MT (A. Iqbal/Richard) and Fogler (Tony/Christina) to prepare for tomorrow closing.
04/15/2020	Jeff Berger	Calculate the interim distributions in anticipation of closing, and discuss same with K. Mahar, B. Tannenbaum, and S. Atkinson of MZ; prepare wire requests; review MZ discharge statements for mortgage and Receiver's borrowings and discuss same with S. Atkinson.
04/15/2020	Daniel Weisz	Review documents re pending distribution of proceeds of sale.
04/15/2020	Bryan Tannenbaum	Receipt and review of draft distribution schedule for payments upon closing; receipt and review of MT email re closing details for today; receipt and review of MT email re Receiver's Certificate for signature once amount finalized; response sent; receipt and review of MT email re plans for registration of documents; receipt and review of MZ email reconciling payout figures, etc.; telephone call with J. Berger re same; telephone call from C. Hayes of MZ re status; receipt and review of amended payout statements; execute Receiver's Certificate and return to MT; various emails re closing and receipt of funds and registration, etc.
04/16/2020	Daniel Weisz	Periodic review of online bank account re receipt of wire transfer from MT; review letter re wire transfers and discussion with D. Nishimura re same.
04/16/2020	Bryan Tannenbaum	Address wire transfer of funds and emails to MZ as to status, etc.; receipt and review of debtor request for information relating to the sale, etc.; email to MT re same; receipt and review of MT response.
04/16/2020	Jeff Berger	Attend to various banking and bookkeeping tasks regarding the closing of the sale transaction.
04/17/2020	Brenda Wong	Contact BMO to request supporting documentation for wire transfers processed.
04/17/2020	Daniel Weisz	Discussion with BMO re wire sent and receipt requested; process e-payment to MT.
04/17/2020	Bryan Tannenbaum	Discussion with J. Berger re payment to MT and funds to be invested; letters signed re same; review files; calls to certain prospective purchasers to let them know it closed.
04/17/2020	Jeff Berger	Attend to various banking and bookkeeping matters regarding the sale transaction.

Date	Professional	Description
04/20/2020	Bryan Tannenbaum	Various emails regarding disclosing sealed information to the debtor and deciding not to disclose bidders names; receipt and review of MT email to Mr. David Bleiwas, solicitor for second mortgagee.
04/21/2020	Bryan Tannenbaum	Telephone call from offeror re status.
04/22/2020	Bryan Tannenbaum	Receipt and review of creditor email as to details of sale of property as he had submitted an unsuccessful bid; response sent.
04/22/2020	Anne Baptiste	Prepare bank reconciliation; post GIC deposit and reinvestment in Ascend.
04/23/2020	Daniel Weisz	Effect electronic payment.
04/23/2020	Bryan Tannenbaum	Receipt and review of creditor email re funds available to unsecured creditors; email response; second creditor email as to how can this be that no further monies, etc.; responding email requesting further information and disclosures, etc.; receipt and review of third email from creditor.
04/23/2020	Echa Odeh	Organize website update.
04/24/2020	Bryan Tannenbaum	Receipt and review of investment certificate from BMO; forward same to J. Berger; receipt and review of creditor email again on distributions, etc.; discuss with J. Berger and review his response.
04/27/2020	Echa Odeh	Prepare cheque requisition and payment instruction email for payment of numerous expenses.
04/27/2020	Bryan Tannenbaum	Receipt and review of Real Track email re confirmation details on the sale of the property; review of file to clean up emails.
04/28/2020	Daniel Weisz	Process e-payment.
04/29/2020	Daniel Weisz	Process e-payment.
04/29/2020	Bryan Tannenbaum	Email to MT re next steps; receipt and review of MT response re same.
04/29/2020	Jeff Berger	Email to K. Mahar re final distribution and Receiver's discharge, etc.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

## FEE SUMMARY

<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	51.10	\$ 750	\$ 38,325.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	1.20	\$ 725	870.00
Brenda Wong, CIRP, LIT	Senior Manager	0.10	\$ 625	62.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	37.80	\$ 525	19,845.00
Echa Odeh	Senior Associate	1.10	\$ 225	247.50
Anne Baptiste	Estate Administrator	0.30	\$ 110	33.00
<b>Total hours and professional fees</b>		<b>91.60</b>		\$ 59,383.00
HST @ 13%				7,719.79
<b>Total payable</b>				<b>\$ 67,102.79</b>

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.



GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
**Licensed Insolvency Trustee**  
 11 King St W, Suite 700, Box 27  
 Toronto, ON M5H 4C7

T +1 416 480 0160  
 F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited, Court-Appointed Receiver  
 and Manager of 2305992 Ontario Inc.  
 c/o RSM Canada Limited  
 11 King Street West, Suite 700  
 Toronto, ON M5H 4C7

**Date** June 22, 2020

**Client File** 7876059  
**Invoice** 4  
**No.**

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2305992 Ontario Inc. for the period May 1, 2020 to May 31, 2020.

Date	Professional	Description
05/06/2020	Bryan Tannenbaum	Emails from creditor re wrap interest; response that this will be dealt with in court, etc.; response from K. Mahar of Miller Thomson LLP ("MT") re same; email re notice being preliminary and having to be sent out within 10 days, etc.
05/06/2020	Jeff Berger	Review and respond to inquiry from unsecured creditor; email to K. Mahar and A. Iqbal of MT re next steps and Receiver's discharge; administrative matters.
05/07/2020	Bryan Tannenbaum	Call with K. Mahar, A. Iqbal and J. Berger re court hearing for further distribution order, contacting D. Bleweis to notify of intentions, court scheduling, wrap interest issue.
05/07/2020	Jeff Berger	Call with K. Mahar, A. Iqbal and B. Tannenbaum to discuss the lender's motion, Receiver's discharge, etc.
05/12/2020	Anne Baptiste	Prepare bank reconciliation.
05/15/2020	Bryan Tannenbaum	Receipt and review of offeror email re sale complete; response sent.
05/19/2020	Daniel Weisz	Process e-payment.
05/19/2020	Donna Nishimura	Prepare cheque requisitions and process paperwork for payment.
05/19/2020	Bryan Tannenbaum	Receipt and review of K. Mahar email re D. Bleiwas objecting and research.
05/20/2020	Jeff Berger	Attend to administrative matters; update interim Statement of Receipts and Disbursements; discuss same with B. Tannenbaum.
05/21/2020	Echa Odeh	Prepare cheque requisition for expenses; call to Miller Thomson; amend cheque requisition to pay by EFT.
05/22/2020	Daniel Weisz	Process e-payments.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

## FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.80	\$ 750	\$ 1,350.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	0.30	\$ 725	217.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	3.80	\$ 525	1,995.00
Echa Odeh	Senior Associate	0.70	\$ 225	157.50
Anne Baptiste/Donna Nishimura	Estate Administrator	0.40	\$ 110	44.00
<b>Total hours and professional fees</b>		<b>7.00</b>		\$ 3,764.00
HST @ 13%				489.32
<b>Total payable</b>				<b>\$ 4,253.32</b>

### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.  
RSM Canada Limited



GST/HST: 80784 1440 RT 0001

**RSM CANADA LIMITED**  
**Licensed Insolvency Trustee**  
11 King St W, Suite 700, Box 27  
Toronto, ON M5H 4C7

T +1 416 480 0160  
F +1 416 480 2646

www.rsmcanada.com

**To** RSM Canada Limited, Court-Appointed Receiver  
and Manager of 2305992 Ontario Inc.  
c/o RSM Canada Limited  
11 King Street West, Suite 700  
Toronto, ON M5H 4C7

**Date** June 25, 2020

**Client File** 7876059

**Invoice** 5

**No.**

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For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2305992 Ontario Inc. for the period June 1, 2020 to June 15, 2020.

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Date	Professional	Description
06/01/2020	Bryan Tannenbaum	Receipt and review of Miller Thomson LLP ("MT") email re Applejack Developments creditor.
06/01/2020	Jeff Berger	Review and respond to email from A. Iqbal of MT; update R&D and provide same to A. Iqbal.
06/05/2020	Anne Baptiste	Process/record electronic disbursements.
06/09/2020	Bryan Tannenbaum	Court report outline.
06/10/2020	Bryan Tannenbaum	Telephone call from Keith Chambers of Richmond Hill re garbage dumping on the site.
06/12/2020	Bryan Tannenbaum	Telephone call from K. Mahar of MT re possible settlement with the subsequent mortgagee, etc., and proceeding forward.
06/12/2020	Jeff Berger	Update R&D through June 12, 2020 and forward same to B. Tannenbaum for discussion.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

## FEE SUMMARY

<b>Professional</b>	<b>Level</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	4.20	\$ 750	\$ 3,150.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	2.80	\$ 525	1,470.00
Anne Baptiste	Estate Administrator	0.40	\$ 110	44.00
<b>Total hours and professional fees</b>		<b><u>7.40</u></b>		\$ 4,664.00
HST @ 13%				606.32
<b>Total payable</b>				<b>\$ 5,270.32</b>

### VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

### WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

**THIS IS EXHIBIT "B" REFERRED TO IN THE  
AFFIDAVIT OF BRYAN A. TANNENBAUM**



**In the Matter of the Receivership of  
2305992 Ontario Inc.  
Summary of Receiver's Fees  
for the Passing of Accounts Period**

<b>Invoice #</b>	<b>Invoice Date</b>	<b>Period</b>	<b>Hours</b>	<b>Fees</b>	<b>HST</b>	<b>Total</b>	<b>Average Hourly Rate</b>
1	11-Mar-20	November 28, 2019 to February 29, 2020	216.4	\$ 129,631.50	\$ 16,852.10	\$ 146,483.60	\$ 599.04
2	16-Apr-20	March 1 - 31, 2020	107.2	68,548.00	8,911.24	77,459.24	\$ 639.44
3	15-May-20	April 1 - 30, 2020	91.6	59,383.00	7,719.79	67,102.79	\$ 648.29
4	22-Jun-20	May 1 - 31, 2020	7.0	3,764.00	489.32	4,253.32	\$ 537.71
5	25-Jun-20	June 1 - 15, 2020	7.4	4,664.00	606.32	5,270.32	\$ 630.27
Total fees to June 15, 2020			429.6	265,990.50	34,578.77	300,569.27	\$ 619.16
Estimated fees to completion				25,000.00	3,250.00	28,250.00	
<b>Total</b>				<b>\$ 290,990.50</b>	<b>\$ 37,828.77</b>	<b>\$ 328,819.27</b>	

# **APPENDIX “G”**

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

**B E T W E E N :**

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**AFFIDAVIT OF ALINA STOICA  
(Sworn June 26, 2020)**

I, **Alina Stoica**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a paraprofessional with the law firm Miller Thomson LLP (“**MT**”) lawyers for RSM Canada Limited, in its capacity as Receiver of 2305992 Ontario Inc. (the “**Receiver**”) and as such, have knowledge of the matters to hereinafter deposed to.
2. Attached hereto as **Exhibit “A”** is a true copy of the invoices issued to the Receiver by MT for fees and disbursements incurred by MT between November 29, 2019 and May 31, 2020. The total fees charged by MT during that period were \$119,015.00 plus disbursements of \$859.61 plus Harmonized Sales Tax (HST) in the amount of \$15,505.14 for a total of \$135,389.75.
3. On July 3, 2020, the Receiver will be seeking, among other things, a Discharge Order. I have been advised by Kyla Mahar, partner at MT and verily believe that from June 1, 2020 to the date of discharge, MT is expected to incur fees in the estimated amount of

\$25,000.00 plus Harmonized Sales Tax (HST) in the amount of \$3,250.00 for a total of \$28,250.00.

4. Accordingly, I verily believe that the total fees, disbursements and HST of MT, as counsel for the Receiver, from the commencement of these proceedings to the date of discharge will be \$163,639.75.
5. Attached hereto as **Exhibit "B"** is a schedule summarizing each invoice in Exhibit "A", the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.
6. Attached hereto as **Exhibit "C"** is a schedule summarizing the respective years of call and billing rates of each of the lawyers at MT who acted for the Receiver.
7. To the best of my knowledge, the rates charged by MT throughout the course of this proceeding are comparable to those charged by other law firms in Toronto for the provision of similar services.
8. The hourly billing rates outlined in Exhibit "C" to this affidavit are comparable to the hourly rates charged by MT for services rendered in similar proceedings.
9. I make the affidavit in support of a motion by the Receiver for, among other things, approval of the fees and disbursements of the Receiver's counsel.

SWORN BEFORE ME at the City of Toronto  
this 26<sup>th</sup> day of June, 2020 by videoconference  
due to Covid-19.



ALINA STOICA

A Commissioner for taking Affidavits (or as may be)  
Kyla Mahar

**EXHIBIT "A"**  
**MILLER THOMSON LLP ACCOUNTS**



**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

**T** 416.595.8500  
**F** 416.595.8695

**MILLERTHOMSON.COM**

## Account Summary and Remittance Form

**December 31, 2019**

Invoice Number 3435142

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Fees:</b>	<b>\$20,005.00</b>
<b>Disbursements:</b>	<b>\$251.90</b>
<b>Ontario HST 13% (R119440766)</b>	<b>\$2,624.94</b>
<b>Total Amount Due</b>	<b>\$22,881.84</b>

Please return the Account Summary and Remittance Form with your payment.

Terms: Accounts due when rendered. Interest at the rate of 12.0% per annum will be charged on accounts overdue 30 days or more. Any disbursements not posted to your account on the date of this account will be billed later.  
<http://eastfinweb.millertomson.com/adeant/Tools/PrintPreview/FileStream.aspx?documentType=Bill&documentKey=7850975&OXBehavior=Central&CacheID=h0a4479h-2374-4c06-a78e-9eb95a6cd918>



**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
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**T** 416.595.8500  
**F** 416.595.8695

**MILLERTHOMSON.COM**

**December 31, 2019**

Invoice Number 3435142

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

To Professional Services Rendered in connection with the following matter(s) including:

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
11/29/2019	EP	Draft Notice of Application for Sale Approval Order; First Report of Receiver; Sale Order;	4.50
11/30/2019	KEMM	Email to B. Tannenbaum regarding timing for proposed meeting to discuss next steps and sale process;	0.10
12/01/2019	KEMM	Email exchange with B. Tannenbaum;	0.10
12/02/2019	EP	Draft Notice of Application for Sale Approval Order; First Report of Receiver; Sale Order;	1.90
12/02/2019	DC	Receipt of instruction email from Ms. Crisp; to subsearch of title; obtain PIN map; draft Application to Register Court Order; email to Ms. Mahar;	1.20
12/02/2019	KEMM	Receive and review reasons of Justice McEwen; email same to client; discussions with E. Popov regarding preparing first drafts of sale motion materials; email exchange with J. Berger regarding registering Order on title; email to S. Crisp regarding preparing documents to register Order on title; telephone call with C. Hayes regarding sale process and letter of intent signed day of receivership order; email Letter of	1.30

Please return the Account Summary and Remittance Form with your payment.

Terms: Accounts due when rendered. Interest at the rate of 12.0% per annum will be charged on accounts overdue 30 days or more. Any disbursements not posted to your account on the date of this account will be billed later.  
<http://eastfinweb.millerthomson.com/adeant/Tools/PrintPreview/FileStream.aspx?documentType=Bill&documentKey=7850975&OXBehavior=Central&CacheID=h0a4479h-2374-4c06-a78e-9eb95a6cd918>



Date	Initials	Description	Hours
		Intent to C. Hayes; email exchange with B. Tannenbaum regarding sale process and reaching out to part with LOI; emails regarding pulling corporate profile report; email regarding registering order on title;	
12/03/2019	JC	Conduct corporate search against 2435960 Ontario Inc.; email corporation profile report to Ms. Mahar;	0.10
12/03/2019	EP	Reviewed and Drafted APS;	3.30
12/03/2019	KEMM	Email from J. Chau enclosing corporate profile report and forward same to Receiver; email from. D. Bleiwas;	0.10
12/04/2019	EP	Reviewed and revised confidentiality agreement;	0.80
12/04/2019	KEMM	Emails with C. Hayes; meeting with J. Berger and B. Tannenbaum regarding sale process timeline; email from B. Tannenbaum enclosing sale process timeline; review revised timeline; email from J. Berger enclosing draft Confidentiality Agreement; email exchange with E. Popov on review of CA;	1.30
12/05/2019	EP	Draft APS;	1.30
12/05/2019	KEMM	Email from J. Berger enclosing draft data room index and review same;	0.10
12/06/2019	EP	Draft APS;	1.50
12/10/2019	EP	Take call from Jeff Berger; Email draft First Report to J. Berger; Revise APS;	0.80
12/10/2019	KEMM	Review of emails;	0.10
12/11/2019	EP	Revised Notice of Motion, Draft Order, and Schedule "A" Sale Process;	2.40
12/11/2019	AS	Email to court re sale process motion.	0.10
12/11/2019	KEMM	Review of emails;	0.10
12/12/2019	EP	Hold call with Receiver; Compile sale process order documents;	0.40
12/12/2019	KEMM	Review of emails; coordinate with A. Stoica to obtain court time for sale process motion; telephone call to Commercial List Office regarding obtaining court time and being advised no time available before new year; telephone call with B. Tannenbaum, J. Berger and E.	0.90

Please return the Account Summary and Remittance Form with your payment.





Date	Initials	Description	Hours
		Popov regarding initiating sale process and then obtaining sale process order in New Year;	
12/16/2019	DC	Emails with Ms. Mahar; obtain copy of construction lien from York Region land registry office; update subsearch of title; attend to sign off and registration of Court Order on title;	0.70
12/16/2019	EP	Following up to register charge on title;	0.30
12/16/2019	FT	To review of court order and sign off in Teraview for registration;	0.20
12/16/2019	KEMM	Emails to B. Tannenbaum regarding construction lien and registration of Receivership Order on title discussion and email with E. Popov regarding same; receive letter from construction lien claimant; telephone call with J. Berger regarding response; telephone call to construction lien claimant's counsel confirming they can perfect lien and take no further steps;	0.60
12/17/2019	KEMM	Telephone call with J. Berger; emails regarding availability of Court for motion; email to A. Stoica to book same; review and revise teaser, CIM and CA and circulate to Receiver; email to and from E. Popov regarding email from Receiver and proposed response;	2.00
12/18/2019	AS	Email to court re sale process motion confirmed.	0.10
12/18/2019	KEMM	Review email from E. Popov;	0.10
12/19/2019	AI	Instructions from K. Mahar; review Application Record to understand background of file; brief review of CIM; review and revise Template Agreement of Purchase and Sale, emails with RSM re same;	2.00
12/19/2019	AS	Revise transcribed endorsement of J. McEwen.	0.30
12/19/2019	AI	Email exchange with RSM;	0.10
12/19/2019	KEMM	Meeting with A. Iqbal regarding reviewing template APS and providing comments and reviewing and revising motion materials for sale process motion; receive revised APS from A. Iqbal; discussion with C. Hayes regarding sale process;	0.60

Please return the Account Summary and Remittance Form with your payment.



Date	Initials	Description	Hours
12/20/2019	AI	Review and respond to correspondence; review Sale Process document; review and revise Receiver's Report; call with RSM re template asset purchase agreement; make further revisions to same based on call;	3.70
12/20/2019	KEMM	Email exchange with A. Iqbal; email from B. Tannenbaum enclosing revised timeline; review same; receive final copies of CIM, Teaser and CA; receive revised template APS from A. Iqbal;	0.30
12/21/2019	AI	Revise motion materials and emails re same;	1.40
12/21/2019	KEMM	Email from A. Iqbal enclosing draft Receiver Report, Bidding Procedures and Sale Process Order; email exchange with A. Iqbal regarding sale process and not using agent/mls; email from B. Tannenbaum providing comments;	0.20
12/22/2019	AI	Revised Report based on comments received;	0.30
12/23/2019	AI	Calls and emails with J. Berger re sale approval motion; internal discussions to confirm booking of court time on January 10 for approval of sale motion;	0.50
12/23/2019	AI	Review and revise sale process motion materials; call with K. Mahar re timelines; emails with RSM re revised timelines;	0.90
12/23/2019	KEMM	Review of emails regarding proposed sale process; telephone call with J. Berger regarding sale process and timing; email with J. Berger regarding proposed amended timeline	0.80
12/24/2019	AI	Final review of motion materials and email same to K. Mahar; consider nunc pro tunc language for approval of sale process, email to K. Mahar re same; call with J. Berger re final comments on motion materials and email to K. Mahar re same; revise bidding procedures for data room during interim period prior to court approval;	1.30
12/24/2019	KEMM	Emails with A.I Iqbal regarding draft sale process motion materials; emails with Receive and A. Iqbal;;	0.40
12/27/2019	KEMM	Review and respond to emails;	0.20
12/27/2019	KEMM	Review and respond to emails regarding	0.20

Please return the Account Summary and Remittance Form with your payment.



Date	Initials	Description	Hours
		commencement of sale process and timing of sale process motion;	
12/28/2019	KEMM	Review draft APS and email exchange with A. Iqbal;	0.10
12/30/2019	TD	Finalizing and arranging motion record for serving on Dec. 30, 2019; co-ordination with K. Mahar, A. Iqbal and A. Stoica;	4.10
12/30/2019	KEMM	Review and revise draft sale process materials and discussions with T. Dolny and Receiver regarding same; coordinate finalization and service of same;	1.50
<b>Total Hours</b>			<b>45.30</b>

**Our Fee: 20,005.00**

TK ID	Initials	Name	Title	Rate	Hours	Amount
00990	KEMM	K. Mahar	Partner	\$730.00	11.10	\$8,103.00
01177	AI	A. Iqbal	Associate	\$450.00	10.20	\$4,590.00
01110	FT	F. Torchia	Associate	\$350.00	0.20	\$70.00
02682	TD	T. Dolny	Associate	\$310.00	4.10	\$1,271.00
02873	DC	D. Curalli	Paraprofession al	\$315.00	1.90	\$598.50
01179	EP	E. Popov	Associate	\$305.00	17.20	\$5,246.00
01510	JC	J. Chau	Paraprofession al	\$265.00	0.10	\$26.50
02706	AS	A. Stoica	Paraprofession al	\$200.00	0.50	\$100.00

**Taxable Disbursements**

Land Registry Office Searches	161.00	
Teraview Service Fee	10.85	
Corporate or Securities file Searches	15.00	
<b>Total Taxable Disbursements</b>	<b>186.85</b>	<b>\$186.85</b>

**Non-Taxable Disbursements**

Registration Fee	65.05
------------------	-------

Please return the Account Summary and Remittance Form with your payment.



Total Non-Taxable Disbursements	65.05	\$65.05
<b>Total Fees and Disbursements</b>		<b>\$20,256.90</b>
<b>Ontario HST 13% (R119440766)</b>		
On Fees		\$2,600.65
On Disbursements		\$24.29
<b>Total Amount Due</b>		<b>\$22,881.84</b>
E.&O.E.		

Please return the Account Summary and Remittance Form with your payment.





**MILLER THOMSON**  
AVOCATS | LAWYERS

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SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

**T** 416.595.8500  
**F** 416.595.8695

**MILLERTHOMSON.COM**

## Account Summary and Remittance Form

**March 31, 2020**

Invoice Number 3467654

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Fees:</b>	<b>\$62,972.50</b>
<b>Disbursements:</b>	<b>\$555.39</b>
<b>Ontario HST 13% (R119440766)</b>	<b>\$8,199.95</b>
<b>Total Amount Due</b>	<b>\$71,727.84</b>



**MILLER THOMSON**  
AVOCATS | LAWYERS

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**March 31, 2020**

Invoice Number 3467654

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

To Professional Services Rendered in connection with the following matter(s) including:

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
01/02/2020	KEMM	Telephone call with M. Felice (Liberty) regarding sale process being undertaken by Receiver and terms of NDA;; email exchange with J. Berger regarding same;	0.40
01/03/2020	KEMM	Email from J. Berger providing update on sale process; discuss same with secured creditor and pending motion	0.30
01/06/2020	KEMM	Correspondence from City of Richmond Hill;	0.10
01/08/2020	AI	Review motion record and prepare for court hearing; discussions with K. Mahar re hearing and next steps;	1.00
01/08/2020	KEMM	Review of emails; discussion with A. Iqbal regarding sale process approval motion and next steps;	0.40
01/09/2020	AI	Prepare for, travel to and attend motion re sales process order;	2.30
01/09/2020	KEMM	Discussions with A. Iqbal regarding motion; email exchange with B. Tannenbaum regarding attendance at motion; debrief discussion with A. Iqbal on relief obtained at motion	0.40
01/12/2020	AI	Review and respond to correspondence;	0.20



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
01/13/2020	AI	Email exchange with J. Berger; review and consider proposed changes from prospective purchaser, revise confidentiality agreement to reflect changes and email to RSM with thoughts;	0.90
01/13/2020	KEMM	Receive and review sale process update from Receiver; review of emails regarding proposed changes to NDAs;	0.20
01/14/2020	KEMM	Email exchange with B. Tannenbaum regarding Receiver borrowing funds;	0.10
01/15/2020	KEMM	Telephone call with secured creditor regarding interest to date in property and parties approaching secured creditor; telephone call with J. Berger regarding update in respect of sale process and parties that have requested and executed NDAs; email to secured creditor enclosing sale process order and providing further update; email from J. Berger providing template APS and further update on sale process;	0.90
01/21/2020	KEMM	Receive and review update on sale process;	0.20
01/23/2020	AI	Review and respond to correspondence; review, consider and comment on revisions to NDA made by prospective purchaser;	0.40
01/23/2020	KEMM	Review of emails;	0.10
01/27/2020	AI	Call with J. Berger re insurance issues;	0.20
01/27/2020	AI	Emails re receiver's borrowing certificate, review draft of same;	0.20
01/27/2020	KEMM	Review of updated PIN, registered construction lien; emails regarding borrowing certificate for advance of funds to Receiver;	0.20
01/28/2020	KEMM	Letter from counsel for Weston Consulting; review statement of claim; email and discussion with D. Bulat regarding same; email from J. Berger proceeding sale process update; review and consider same; discussion with secured creditor regarding progress of sale process;	0.70
01/29/2020	AI	Call with J. Berger; discussion with K. Mahar and email to articling student re research required;	1.00





<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
01/29/2020	KEMM	Discussion with A. Iqbal regarding disclosure of documents in data room that have confidentiality attached to them and research to be undertaken; emails with A. Iqbal and E. Tawfik;	0.50
02/03/2020	KEMM	Receive and review research memo and cases; discuss same with A. Iqbal; email to Receiver regarding service of statement of claim of lien claimant;	0.70
02/04/2020	KEMM	Receive instructions from Receiver; emails with A. Iqbal regarding same; email exchange with secured creditor regarding receivership and priority of lien claim;	0.30
02/06/2020	KEMM	Email from Receiver providing update on sale process; review of emails regarding status of sale process and interest to date;	0.20
02/10/2020	AI	Review documents and emails re request to lift stay; draft and send responding letter;	1.00
02/10/2020	KEMM	Review of correspondence;	0.10
02/11/2020	AI	Review and respond to correspondence with RSM; review Template APA and send same to RSM; emails	0.80
02/11/2020	KEMM	Emails with B. Tannenbaum and A. Iqbal on various matters;	0.30
02/12/2020	KEMM	Telephone call from potential bidder's counsel; email with A. Iqbal regarding same; email from B. Tannenbaum;	0.20
02/14/2020	KEMM	Emails exchange with B. Tannenbaum regarding review of offers; meeting with B. Tannenbaum and secured creditor to review offers received by Bid Deadline; review email to bidder regarding clarifications to offer; receive and review summary of offers prepared by Receiver;	1.40
02/15/2020	KEMM	Review of emails;	0.10
02/18/2020	KEMM	Emails with Receiver and secured creditor regarding respons of Bidder to clarification; review terms of APS; and additional documents; emails with Receiver and secured creditor to coordinate call to discuss offers and next steps;	0.80



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
02/19/2020	AI	Review and respond to correspondence; prepare first draft of Second Report of Receiver; prepare for and attend call with Receiver re next steps;	3.60
02/19/2020	KEMM	Email exchange with A. Iqbal regarding conference call and preparation of second report of Receiver; conference call with Receiver and Secured Creditor regarding offers received and additional information; review emails to bidders for further information on bids to determine second round of bidding; emails coordinating conference calls with certain bidders;	1.20
02/20/2020	AI	Email to RSM re Second Report;	0.10
02/20/2020	AI	Emails re conference call with JD;	0.10
02/20/2020	AI	prepare for and participate in call with Receiver and prospective bidder, draft email in respect of same;	1.80
02/20/2020	KEMM	Emails regarding calls with Bidder; discussion with A. Iqbal regarding draft second report being prepared; prepare for and participate on conference call with Bidder, Receiver and A. Iqbal; receive and review draft email to Bidder following call; discussion with A. Iqbal regarding comments; emails from B. Tannenbaum regarding same;	1.10
02/21/2020	KEMM	Review email to Bidder in respect of information to assess bid;	0.10
02/23/2020	KEMM	Emails exchange with B. Tannenbaum;	0.20
02/24/2020	AI	Review and consider term sheet and Confirmation; discussion with K. Mahar re same; email to B. Tannenbaum with analysis of term sheet;	1.00
02/24/2020	KEMM	Review of emails with Receiver and Bidder; receiver terms sheet from Bidder; discussion with A. Iqbal regarding review and analysis of same; emails with B. Tannenbaum to coordinate call to discuss; email from A. Iqbal providing analysis and review same;	0.50
02/25/2020	AI	Prepare for and attend conference call with RSM re revised offers and next steps; discussion re JD offer; prepare draft email to JD for further information; review and consider SISP procedures; prepare draft email to prospective bidders seeking revised offers,	3.00



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		emails re same; call with J. Berger re second report; review emails re same; review and consider revised JD Term Sheet;	
02/25/2020	KEMM	Conference call with Receiver and A. Iqbal on bidding process and additional information and next steps; review sale process; review draft emails to bidders and provide comments on same; email from Bidder with revised term sheet from its lender; emails with Receiver and A. Iqbal; consider revised tem sheet;	1.60
02/26/2020	AI	Review and respond to correspondence; review new term sheet and discussion with K. Mahar re same; email from RSM re confirmation of ability to close of one prospective purchaser, discussion with and email to K. Mahar re same;	0.30
02/26/2020	KEMM	Review and respond to emails; review new term sheet and discussion with K. Mahar re same; email from RSM re ability to close of Bidder; discussion with and email to A.Iqbal re same; email to B. Tannenbaum regarding same;	0.40
02/27/2020	KEMM	Emails with B. Tannenbaum regarding second round of bidding; telephone call with B. Tannenbaum regarding revised offers received in second round of bidding;	0.40
02/28/2020	KEMM	Review revised offers received in round two of bidding; conference call with B. Tannenbaum regarding sale process, revised offers and next steps; review sale process order to consider same; consider back up bidder process; further call with B. Tannenbaum regarding top two bids; consider research to be undertaken;	1.50
03/01/2020	AI	Review and compare revised offers; legal research re integrity of process, review and consider same; email to K. Mahar with analysis;	2.20
03/01/2020	KEMM	Discussion with A. Iqbal regarding research for sale approval motion; receive and review summary of difference between first round and second round offers and between top offers; consider next steps;	0.60
03/02/2020	AI	Review and consider emails re additional bidding;	0.50



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		emails re lift stay request of lien claimant;	
03/02/2020	KEMM	Emails exchange with secured creditor; conference call with secured creditor regarding current stage of sale process and potential options; telephone call with B. Tannenbaum regarding discussions with secured creditor; further telephone call with B. Tannenbaum and C. Hayes regarding sale process and potential next steps; consider amendments to sale process to maximize value and minimize risk; review and revise draft email to top two bidders for third round of bids and selection of back up bidder; review emails to bidders; telephone call with B. Tannenbaum regarding retaining independent counsel to review security; emails regarding same;	2.30
03/03/2020	AI	Review and respond to correspondence; discussion with K. Mahar re third round of offers received and next steps; review and revise successful bid Agreement of Purchase and Sale; email to B. Tannenbaum re back up bid offer;	2.60
03/03/2020	KEMM	Review and respond to emails with Receiver and A. Iqbal; discussion with A. Iqbal regarding third round of bids and need to incorporate bidding process and back up bidder concept into APSs; receive and review third round of bids; telephone call with B. Tannenbaum; telephone call with B. Tannenbaum and C. Hayes regarding final round of bids; emails regarding announcing successful bid; emails with A. Iqbal regarding amendments to APS of successful bidder; review blackline of successful bid against template;	2.10
03/04/2020	AI	review and respond to correspondence; discussion with K. Mahar re offers; review and input comments on APS and email same to RSM;	1.20
03/04/2020	KEMM	Emails and discussions with A. Iqbal regarding amendments to terms of APS to ensure amended sale process incorporating back up bidder is incorporated; emails regarding security review to be undertaken by J. Freid;; review final version of APS; receive back up bid and discuss changes with A. Iqbal; emails regarding transaction; review email to advise of back	1.20



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		up bidder; emails with J. Fired providing requested documentation; consider interim distribution as part of motion; email to Receiver regarding tax inquiries;	
03/05/2020	AI	Substantial revisions to back-up bidder aps; emails re same; call with J. Berger re second report, emails re same; emails re additional changes to G Group APA; further revisions to G Group APA and discussions with K. Mahar re same;	6.70
03/05/2020	KEMM	Emails with A. Iqbal regarding amendments to back up bid; emails with Receiver regarding priority claims; review draft revisions and provide comments; review further draft; discussion with J. Berger regarding motion materials; email from successful bidder enclosing fully executed APS;; discussion with A. Iqbal regarding timing of approval motion; emails regarding request to Court for availability; review back up bid; emails with Receiver and A. Iqbal on final comments on back up bid and assumption of debt concept;	1.60
03/06/2020	AI	Prepare motion materials re sale approval; review and respond to correspondence; revisions to G Group APS;	2.20
03/06/2020	KEMM	Email exchange with J. Berger; review further draft of back up bid; provide final comments; receive final version; telephone call to secured creditor regarding request for discharge statement and intention of Receiver to obtain interim distribution to repay principal and interest (excluding wrap up interest) at sale approval motion; emails from MZ enclosing same; review discharge statement; email exchange with B. Tannenbaum and A. Iqbal; email to secured creditor enclosing back up bid; telephone call with secured creditor confirming terms acceptable; discussion with A. Iqbal regarding drafting motion materials; email from A. Iqbal enclosing draft Approval and Vesting Order; email to Back Up bidder enclosing final version of Back Up Bid;	1.30
03/07/2020	KEMM	Review of emails;	0.10
03/09/2020	KEMM	Review approval and vesting order with back up bid relief; provide comments; emails with secured creditor	0.90



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		regarding discharge statement being further broken down given relief being sought;	
03/10/2020	ET	Review and populate receiver report;	1.00
03/10/2020	AI	Discussion with K. Mahar; review and respond to correspondence; revise sale approval motion materials;	1.20
03/10/2020	KEMM	Receive and review draft security opinion; emails and telephone call with B. Tannenbaum regarding motion and timing; emails with back up bidder and receive fully executed back up bid; email to B. Tannenbaum regarding discharge amount owing to first secured creditor; discuss draft opinion with A. Iqbal;	1.00
03/11/2020	AI	Continue to revise motion materials, prepare draft orders and service list; review documents in order to prepare same;	3.40
03/11/2020	AS	Review emails re receiver's motion; start to prep fee affidavit for the sale motion; prep service list; emails to K. Mahar and A. Iqbal re same.	0.80
03/11/2020	KEMM	Emails coordinating and conference call with Receiver and independent counsel to Receiver to review security opinion; receive finalized opinion; email from A. Iqbal enclosing draft Orders and draft second report;	0.70
03/11/2020	ME	Obtain Verbal Personal Property Securities Act Printout for 2305992 ONTARIO INC. and provide same to A. Iqbal;	0.20
03/12/2020	AS	Revise and blackline second report and orders.	1.00
03/12/2020	KEMM	Review and respond to emails; review and revise distribution order; review and revise approval and vesting order; review and revising Second Report; numerous emails with A. Iqbal regarding same; telephone call and email with A. Iqbal regarding section of report to be prepared on interim distribution; email to secured creditor to obtain updated discharge statement;	2.60
03/13/2020	AI	Call with K. Mahar re comments on revised report; further revisions to the report; revisions to orders and reports; email to purchaser's counsel re AVO and	1.40



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		other matters;	
03/13/2020	KEMM	Receive further amended second report and review distribution section; provide comments; revising second report; email to A. Iqbal regarding circulating to the client; emails with A. Iqbal regarding email to purchaser to amend APS for date change emails with B. Tannenbaum and A. Iqbla regarding same; receive comments from Receiver; review same; receive discharge statement from MZ;	1.40
03/14/2020	AI	Further revisions to Second Report, review and compile appendices;	1.90
03/14/2020	AI	Revise interim distribution order, revise second report and emails re same;	0.80
03/14/2020	KEMM	Review and respond to emails; review report incorporating comments of Receiver; review revised interim distribution order; email to secured creditor regarding motion;	0.60
03/15/2020	KEMM	Attend to emails regarding appendices to report, discharge statement and closure of courts;	0.30
03/16/2020	AI	attend to all matters re finalization and service of Receiver's report, including multiple revisions, preparation of notice of motion, revisions to approval and vesting order, correspondence with K. Mahar, Fogler Rubinoff, RSM and others, finalizing service list;	3.30
03/16/2020	AS	Email instructions from A. Iqbal; prep shells for sale process motion.	0.30
03/16/2020	RA	Obtaining parcel registers and reporting to A. Iqbal	0.20
03/16/2020	KEMM	Review correspondence from Foglers; attend to all matters relating to finalization and service of motion materials including review of final materials, calls to Purchaser's counsel, telephone call with A. Iqbal regarding list of encumbrances to be discharged;	1.80
03/17/2020	AS	Review emails from K. Mahar and A. Iqbal; Draft letter to mortgagee to serve motion record; revise service list and forward motion record to counsel for successful bidder; draft affidavit of service and commission same; serve motion record via courier; email to process	1.50



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		server and memo to have materials filed in court.	
03/17/2020	KEMM	Emails regarding construction lien claim against MZ;;	0.10
03/18/2020	KEMM	Emails with B. Tannenbaum and C. Hayes regarding concerns raised by Purchaser and status of court hearings and government offices; review of emails with M. Wren and A. Iqbal; emails with A.Iqbal regarding amendments to Approval and Vesting Order and timing of motion;	0.60
03/19/2020	RB	Receive e-mails and instructions from Mr. Wren and Ms. Crisp; review; review draft Vesting Order and title searches; e-mails to Mr. Iqbal and Mr. Wren;	0.70
03/19/2020	MJW	Emails from Mr. Iqbal and Ms. Mahar re proposed closing and draft Vesting Order; review and email Mr. Iqbal re Land Registry Office requirements and legal description; email from Mr. Iqbal with PINs and revised draft Order; review; email to Mr. Iqbal re legal description and emails to Mr. Blundell and Ms. Crisp;	0.40
03/19/2020	MJW	Emails from Mr. Blundell and Ms. Mahar re form of Vesting Order; call Mr. Blundell to discuss;	0.20
03/19/2020	KEMM	Emails with B. Tannenbaum regarding ability to close transactions and coordinating call with Purchaser; emails from R. Blundell and M. Wren;	0.40
03/20/2020	RB	Receive e-mails from Mr. Wren, Ms. Maher, Ms. Stoica, Mr. Iqbal, regarding vesting order; review; review sub-searches of title; update draft Vesting Order; review and e-mail to Mr. Wren, Ms. Maher, Ms. Stoica, Mr. Iqbal;	1.30
03/20/2020	MJW	Review revised draft Vesting Order and email to Mr. Blundell;	0.20
03/20/2020	KEMM	Email exchange with B. Tannenbaum;; telephone call with Receiver; conference call with Foglers and Purchaser; receive and review revised Approval and Vesting Order from R. Blundell;	0.90
03/23/2020	KEMM	Email exchange with C. Hayes regarding motion proceeding on April 1st; email exchange with B. Tannenbaum regarding further call with Purchaser's counsel; email to T. Leibel;	0.20





<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
03/24/2020	KEMM	Conference call with Purchaser's counsel; emails with B. Tannenbaum to provide update; email to and from Justice McEwen regarding motion proceeding; emails with Receiver regarding same; discussion regarding motion with A. Iqbal and emails with A. Iqbal regarding email to service list explaining process for Court attendance;	1.20
03/25/2020	AS	Review emails from K. Mahar and D. Bleiwas re confidential appendices' review of same and email to A. Iqbal re missing appendix.	0.20
03/25/2020	KEMM	Email exchange with D. Bleiwas regarding request for disclosure of confidential appendices and purchase price; emails and conference call with Receiver regarding request and discussions with Purchaser's counsel; emails with A. Iqbal regarding research on disclosure request issue; email exchange with D. Bleiwas to coordinate call; emails to and from MZ for detailed calculations in respect of discharge statement; review and revise draft email to service list; email to A. Stoica; email to Commercial List Officer providing email to service list; email from Purchaser with amended language for draft Order; receive and review research on sealing orders and opposition to same in context of receiver's motion for sale;	1.40
03/26/2020	ET	legal research on sealing orders;	1.60
03/26/2020	KEMM	Conference call with A. Iqbal and E. Tawfik to review research on sealing order issue; telephone call with D. Bleiwas regarding position of Receiver; emails from E. Tawfik on research in case facum is required; telephone call with B. Tannenbaum regarding discussions with D. Bleiwas; receive and review expanded detail on discharge statement; telephone call with S. Atkinson regarding same; further email from S. Atkinson enclosing revised discharge statement; email to D. Bleiwas with explanation; quick research to determine if case with similar facts; emails with B. Tannenbaum regarding position of Debtor; email cases to D. Bleiwas;	2.80



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
03/27/2020	AI	Review and respond to correspondence; prepare for and participate in conference call with client;	1.00
03/27/2020	KEMM	Email from D. Bleiwas; emails with Receiver and telephone call with B. Tannenbaum; telephone call with D. Bleiwas;; email exchange with B. Tannenbaum and A. Iqbal updating on call with Debtor's counsel; instructions to A. Iqbal to prepare factum given uncertainty as to whether matter will be objected to at Hearing; discussion with A. Iqbal regarding content of factum;	1.00
03/28/2020	ET	draft factum for sealing interim financing and sale approval orders;	5.70
03/28/2020	KEMM	Email to A. Stoica regarding amendment to Approval and Vesting Order;	0.10
03/29/2020	ET	Finalize factum;	2.90
03/29/2020	AS	Review email from K. Mahar; make revisions to approval and vesting order.	0.10
03/29/2020	KEMM	Emails regarding timing of draft factum; email from A. Stoica with revised AVO; email from D. Bleiwas confirming objection will not be filed; receive draft factum; emails exchange with B. Tannenbaum and A. Iqbal regarding not finalizing factum or filing it to same costs of doing so now that matter is not objected to;	0.50
03/30/2020	KEMM	Emails with Commercial List Office; emails coordinating call in for court hearing; email exchange with J. Berger regarding requests by Purchaser;	0.50
03/31/2020	AI	Revise and finalize vesting order in preparation for court; review, revise and finalize interim distribution order for court; emails re same;	1.60
03/31/2020	AI	Review and respond to correspondence; further revisions to draft orders; begin review of HST documents and review APS to understand tax obligations;	1.30
03/31/2020	KEMM	Telephone call with J. Berger regarding HST administration and discussions with borrower and potential purchaser; emails with A. Iqbal; review revised draft Orders; email to Justice McEwen; emails	2.70



Date	Initials	Description	Hours
		regarding counsel slip recording; emails with Court; telephone call with A. Stoica regarding sending motion record to Court; emails with A. Iqbal regarding revising draft Orders; email exchange with D. Bleiwas regarding instructions not to attend motion; telephone call with Secured Creditor regarding motion and next steps and closing risk; emails with Foglers regarding tax certificate; emails with M. Wren regarding real estate transaction closing;	
03/31/2020	JC	Conduct bankruptcy and CCAA searches against 2294894 Ontario Inc.;	0.10
03/31/2020	AS	Email to court re motion record of receiver.	0.10
03/31/2020	AS	Review emails from A. Iqbal and call re orders; run blacklines for approval and vesting order against model order and served version; run blackline for ancillary order to served version; circulate all.	0.50
<b>Total Hours</b>			<b>114.70</b>

**Our Fee: 62,972.50**

**Taxable Disbursements**

Process Server Fees	30.00	
Online Searches - Teranet	74.00	
<b>Total Taxable Disbursements</b>	<b>104.00</b>	<b>\$104.00</b>

**Non-Taxable Disbursements**

Filing Fee	320.00	
Filing Fee	131.39	
<b>Total Non-Taxable Disbursements</b>	<b>451.39</b>	<b>\$451.39</b>

**Total Fees and Disbursements \$63,527.89**

**Ontario HST 13% (R119440766)**

On Fees \$8,186.43



On Disbursements

\$13.52

**Total Amount Due**

**\$71,727.84**

E.&O.E.





**MILLER THOMSON**  
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**MILLERTHOMSON.COM**

## Account Summary and Remittance Form

**April 30, 2020**

Invoice Number 3482409

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Fees:</b>	<b>\$32,756.00</b>
<b>Disbursements:</b>	<b>\$52.32</b>
<b>Ontario HST 13% (R119440766)</b>	<b>\$4,263.65</b>
<b>Total Amount Due</b>	<b>\$37,071.97</b>



**MILLER THOMSON**  
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**April 30, 2020**

Invoice Number 3482409

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

To Professional Services Rendered in connection with the following matter(s) including:

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
03/24/2020	AI	Review Commercial List Protocol in light of COVID 19 in preparation for upcoming hearing, email re same;	0.80
04/01/2020	AS	Review email thread from K. Mahar and A. Iqbal; revise approval and vesting order and re run blacklines; email all orders and blacklines to K. Mahar.	0.30
04/01/2020	AI	Prepare for and participate in teleconference hearing re approval and vesting order;	1.40
04/01/2020	AI	Review and consider co-tenancy agreement; review HST issue and relevant legal principles; consider APS and obligations of Receiver re taxes; emails re same; instructions to E. Tawfik re legal research required;	2.10
04/01/2020	AS	Review email from K. Mahar; split orders and circulate same to service list.	0.20
04/01/2020	RB	Receive e-mails from Ms. Kyla and Mr. Wren regarding vesting order issuance and closing requirements; review and respond;	0.30
04/01/2020	RC	Emails with A. Iqbal and K. Mahar re HST issues; Reviewing email chain;	0.30



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
04/01/2020	MJW	Email from Ms. Mahar re issuance of vesting order and timing of closing; email to Mr. Blundell re same; review draft Order;	0.20
04/01/2020	KEMM	Emails with Justice McEwen regarding delivery of confidential appendices; emails with client regarding hearing; emails with purchaser regarding attending hearing; emails with A. Stoica regarding preparing court drafts of Orders; email to Justice McEwen providing list of attendees for hearing; prepare for and attend telephone conference hearing seeking approval and vesting Order and Interim Distribution Order; email to client and secured creditor confirming orders granted; emails with commercial list office to deal with issuing of orders; discussion with A. Iqbal regarding preparation for closing of transaction; emails with real estate team and A. Iqbal regarding same; emails with A. Iqbal and R. Choudury regarding tax issues to consider prior to closing; emails with A. Stoica providing instructions for service of orders; telephone call with client and MZ;; email exchange with Purchaser regarding outcome of hearing and closing date;	4.20
04/02/2020	ET	Legal research re: Creditor motion for distribution and HST refund;	7.30
04/02/2020	AS	Review email from court re order; prep order to be issued and entered; receive order from court; email to court re confidential appendices; serve order and endorsement on the service list.	0.30
04/02/2020	RC	Considering HST questions on bankruptcy of operator of JV and nominee; Associated research; Email to K. Mahar and A. Iqbal with HST comments;	3.40
04/02/2020	AI	Review and consider email from tax specialist, email to tax specialist with follow up questions and clarifications; review and consider terms of JD APS in connection with advice from tax specialist; email exchanges with E. Tawfik	1.40
04/02/2020	RB	Sign onto the York Region Land Registry Office; draft Application for Vesting Order; review and review draft Vesting Order; e-mail materials to Ms. Mahar et al,	0.70





<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		regarding transactional matters; receive instructions from Mr. Mahar; review; e-mail materials to Purchaser's solicitors for review and approval; receive further e-mail from Ms. Mahar regarding transactional matters; review and respond; receive e-mail from Mr. Wren;	
04/02/2020	MJW	Emails from Ms. Leibel re form of vesting order and logistics of closing and registration;	0.20
04/02/2020	KEMM	Emails with commercial list office regarding confidential appendices; emails with real estate team in respect of preparation for closing of transaction; emails with R. Choudury and A. Iqbal regarding tax issues in respect of HST refund and nominee bankruptcy; email from E. Tawfik regarding research being undertaken; emails with B. Tannenbaum and A. Iqbal on closing timing and mechanics; email from T. Leibel regarding closing information;	1.00
04/03/2020	RC	Emails from A. Iqbal re HST follow-up; Answering questions posed in email;	0.40
04/03/2020	AI	Review agreement and prepare first draft of closing agenda, emails re same;	2.00
04/03/2020	RB	Receive e-mail from Purchaser's solicitors and Mr. Wren; review; sign on the York Region Land Registry Office; transmit Application for Vesting Order to Purchaser's solicitors; e-mail to Purchaser's solicitors;	0.30
04/06/2020	AI	emails and voicemail to R. Blundell; review and respond to correspondence; prepare first draft of closing documents; revise closing agenda; email to K. Mahar;	2.70
04/06/2020	RB	Receive e-mail from Mr. Iqbal, regarding transactional matters; review; e-mail comments to Mr. Iqbal; receive e-mail from Mr. Wren, regarding documentation matters; review and e-mail precedent form to Mr. Iqbal; receive further e-mail from Mr. Iqbal, regarding closing documentation; e-mail precedent document to Mr. Iqbal; receive further e-mail from Mr. Iqbal, regarding transactional matters; review and respond; receive statement of adjustments from Mr. Iqbal;	0.80



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		review and update; e-mail statement of adjustments to Mr. Iqbal;	
04/06/2020	MJW	Email from Mr. Iqbal re closing agenda and HST indemnity; email to Mr. Blundell and Mr. Iqbal; call from Ms. Mahar;	0.30
04/06/2020	KEMM	Numerous emails with real estate team and A. Iqbal; telephone call with A. Iqbal regarding closing agenda; receive and review tax certificate; emails with B. Tannenbaum and A. Iqbal regarding closing documents;	0.70
04/07/2020	AI	Review tax specialist advice and email to client re Receiver's HST obligations;	0.80
04/07/2020	AI	Prepare for and participate in conference call with RSM re distribution motion and next steps; review and respond to correspondence;	0.90
04/07/2020	AI	Review and revise closing documents based on conference call with client;	1.80
04/07/2020	RB	Receive e-mail from Mr. Iqbal, regarding statement of adjustments; review and respond;	0.10
04/07/2020	KEMM	Reviewing closing documents; prepare for and attend conference call with clients and A. Iqbal regarding closing documents and comments on same; email from A. Iqbal regarding draft response on HST issue; review and provide comments on same; emails from J. Berger regarding additional information provided to Purchaser; receive and review interim statement of receipts and disbursements; receive revised closing agenda and closing documents; emails with A. Iqbal regarding same;	2.00
04/08/2020	RB	Receive e-mail from Purchaser's solicitors; review documentation; e-mail to Mr. Iqbal, commenting on documentation; update statement of adjustments; review and e-mail to Mr. Iqbal;	0.70
04/08/2020	KEMM	Attend to emails relating to preparation for closing of transaction;	0.30
04/09/2020	AI	Further revisions to closing documents; email exchange with K. Mahar; email closing documents to	1.10



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		Fogler;	
04/09/2020	KEMM	Review undertaking to readjust and consider timing of same in context of receiver sale; emails with A. Iqbal on closing documents; email from A. Iqbal to Foglers enclosing closing documents; review revised closing documents;	0.40
04/10/2020	AI	Call with Fogler Rubinoff;	0.50
04/10/2020	AI	Revise closing documents base don conference call, finalize same; prepare signature packages;	1.50
04/10/2020	KEMM	Attend to matters relating to closing including preparing for and attending on conference call with Purchaser's solicitors; review of closing documents and emails with A. Iqbal;	1.30
04/11/2020	AI	Further revisions to closing documents and continued finalization of same; email signature packages to all parties;	1.70
04/11/2020	KEMM	Review and respond to email regarding closing with A. Iqbal; Purchaser's counsel and B. Tannenbaum;;	0.40
04/12/2020	KEMM	Email to Purchaser's counsel regarding request for discharge of PPSA registrations;	0.10
04/13/2020	MJW	Email from Mr. Iqbal and reply re execution of DRA;	0.10
04/13/2020	MJW	Engaged briefly with Mr. Blundell re logistics of closing, status of DRA and Order;	0.20
04/13/2020	KEMM	Emails with counsel for Purchaser regarding requested litters of authorization;	0.20
04/14/2020	AI	Call with K. Mahar re closing; review and respond to correspondence; review letter of authorization;	1.10
04/14/2020	AI	Confrence call with Fogler and compile signature pages;	1.20
04/14/2020	RB	Receive e- numerous e-mails from Mr. Iqbal, Ms. Mahar, Purchaser's solicitors and Mr. Wren, regarding transactional matters; review updated documentation and approve; receive e-mail and executed documents from Mr. Iqbal; review and respond; receive e-mails from Mr. Iqbal, regarding transactional matters; review and respond; conference call with Mr. Iqbal and	0.90



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		Purchaser's solicitors; discuss closing matters; sign onto the York region Land Registry Office; update form of Vesting Order; review;	
04/14/2020	KEMM	Telephone call with A. Iqbal regarding closing of transaction; attend to emails regarding closing; execution of closing documents; further call with A. Iqbal to obtain update on call with Purchaser's counsel regarding closing;	1.30
04/15/2020	AI	Attend to matters re closing; call with J. Berger; emails with B. Tannenbaum re closing; calls with K. Mahar and R. Blundell re closing;	3.00
04/15/2020	KEMM	Attend to all matters relating to closing of sale transaction including calls with Receiver, A. Iqbal, C. Hayes and review of documentation and emails relating to same;	3.00
04/15/2020	RB	Receive emails from Mr. Iqbal and Ms. Maher, regarding e-mail of lender's solicitors; review and respond; receive e-mail from Purchaser's solicitors, regarding transactional matters and amendment to documentation; review and approve; e-mail to Purchaser's solicitors; e-mail to Mr. Iqbal regarding status of execution of DRA; receive confirmation from Mr. Iqbal; sign onto the York Region Land Registry Office; determine transmission of documents; receive further e-mails from Mr. Iqbal; review; sign onto the HST Registry; conduct search and confirm Purchaser's HST registration number; e-mail comments to Mr. Iqbal; telephone call to Mr. Iqbal regarding release of documentation; receive e-mail and sub-searches from Purchaser's solicitors; review and approve; receive telephone call from Purchaser's solicitors, confirm banking information; attend to trust funds; e-mail to Mr. Iqbal and Ms. Mahar, regarding closing proceeds; sign onto the York Region Land Registry Office; receive transmission of mortgage documents from second charge; review; receive e-mail from Purchaser's solicitors; review; e-mail to Mr. Iqbal, regarding delivery of closing documentation; e-mail to accounting regarding wire transfer; receive further telephone call from Purchaser's solicitors,	2.20



<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
		regarding land transfer tax and signing of Application for Vesting Order; discuss and resolve issues; receive e-mails from Purchaser's solicitors, regarding wire transfer of funds; further e-mail to accounting to confirm receipt of wire transfer; revise trust receipts; e-mails to and from Ms. Mahar, regarding registration of Vesting Order; receive e-mails from Mr. Iqbal and Ms. Mahar, regarding closing matters and funds; review and respond; receive confirmation of closing proceeds; review, confirm and approve; sign onto the sign onto the York Region Land Registry Office; register closing documents; review and e-mail to all parties; attend to post-closing matters;	
04/15/2020	MJW	Engaged briefly with Mr. Blundell re closing, registration and funds;	0.10
04/16/2020	RB	Receive e-mails from Accounting and Ms. Mahar regarding wire Transfer; e-mail to Mr. Iqbal regarding deposit monies; receive confirmation of wire; e-mail to Mr. Iqbal;	0.20
04/16/2020	KEMM	Emails with R. Blundell and Receiver regarding transfer of Purchase Price; emails with Receiver regarding request by Debtor;	0.30
04/20/2020	AI	Call with K. Mahar re confidential appendices; review and respond to correspondence; redact confidential appendices and send same to K. Mahar to send to borrower;	0.60
04/20/2020	KEMM	Emails with Receiver regarding request by Purchaser for confidential appendices; telephone call with A. Iqbal regarding same and ensuring confidential appendices to be filed with court and delivered to not contain PIPEDA concerns; email exchange with D. Bleiwas confirming closing of transaction and delivery of confidential appendices; email to Receiver;	0.70
04/28/2020	RB	Sign onto the York Region Land Registry Offices; determine status of certification of documents;	0.10
04/29/2020	KEMM	Emails with A. Iqbal and B. Tannenbaum regarding next steps and timing of motion for further distribution; and research to be done;	0.20



**Total Hours** **60.30**

**Our Fee:** **32,756.00**

<b>TK ID</b>	<b>Initials</b>	<b>Name</b>	<b>Title</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
00947	RC	R. Choudhury	Partner	\$1,000.00	4.10	\$4,100.00
00714	MJW	M. Wren	Partner	\$850.00	1.10	\$935.00
00990	KEMM	K. Mahar	Partner	\$750.00	16.10	\$12,075.00
01177	AI	A. Iqbal	Associate	\$475.00	24.60	\$11,685.00
00204	RB	R. Blundell	Paraprofession al	\$360.00	6.30	\$2,268.00
02753	ET	E. Tawfik	Articling Student	\$210.00	7.30	\$1,533.00
02706	AS	A. Stoica	Paraprofession al	\$200.00	0.80	\$160.00

**Taxable Disbursements**

Delivery	33.32
PPSA Search - Ontario	8.00

Total Taxable Disbursements	41.32	\$41.32
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**Non-Taxable Disbursements**

Bank Charges	11.00
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Total Non-Taxable Disbursements	11.00	\$11.00
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**Total Fees and Disbursements** **\$32,808.32**

**Ontario HST 13% (R119440766)**

On Fees	\$4,258.28
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On Disbursements	\$5.37
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**Total Amount Due** **\$37,071.97**

E.&O.E.





**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
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CANADA

**T** 416.595.8500  
**F** 416.595.8695

**MILLERTHOMSON.COM**

## Account Summary and Remittance Form

**May 31, 2020**

Invoice Number 3492103

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Fees:</b>	<b>\$3,281.50</b>
<b>Ontario HST 13% (R119440766)</b>	<b>\$426.60</b>
<b>Total Amount Due</b>	<b>\$3,708.10</b>





**MILLER THOMSON**  
AVOCATS | LAWYERS

**MILLER THOMSON LLP**  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
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CANADA

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**F** 416.595.8695

**MILLERTHOMSON.COM**

**May 31, 2020**

Invoice Number 3492103

RSM Canada Limited  
11 King Street West  
Suite 700  
Box 27  
Toronto, ON M5H 4C7

Attention: Bryan A. Tannenbaum, President

To Professional Services Rendered in connection with the following matter(s) including:

**Re: Receivership of 2305992 Ontario Inc.**  
**Our File No. 0215638.0007**

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
04/30/2020	TD	Call with K. Mahar on research re: urgent motions; drafting research summary in email on COVID restrictions and applications to the Commercial List;	2.20
04/30/2020	KEMM	Telephone call with T. Dolnie regarding research to determine if motion can be brought during current situation; email from T. Dolnie providing research in respect of same; review and consider same;	0.70
05/01/2020	KEMM	Email from T. Dolny re: memo on Court's ability to hear further motions including in respect of distribution; review memo and cases regarding motions that can be brought;	0.40
05/06/2020	KEMM	Email exchange with J. Berger and B. Tannenbaum regarding next steps and relief relating to distribution;	0.10
05/07/2020	AI	Call with K. Mahar re next steps; call with client re distribution motion;	0.90
05/07/2020	KEMM	Emails and telephone call with A. Iqbal; emails with Receiver coordinating call; conference call with Receiver regarding distribution motion;	0.90



Date	Initials	Description	Hours
05/08/2020	KEMM	Emails with D. Bleiwas to coordinate call to discuss next steps and distribution motion;	0.10
05/13/2020	KEMM	Conference call with D. Bleiwas regarding distribution motion, wrap interest claim, intentions of debtor and research; review memo from E. Tawfik and consider same;	0.50
05/19/2020	RB	Sign onto the York Region Land Registry Office; determine status of certification of documents; review and e-mail comments to all parties;	0.20
05/19/2020	KEMM	Email exchange with B. Tannenbaum and J. Berger regarding discussion with Debtor's counsel;	0.10
<b>Total Hours</b>			<b>6.10</b>

**Our Fee: 3,281.50**

TK ID	Initials	Name	Title	Rate	Hours	Amount
00990	KEMM	K. Mahar	Partner	\$750.00	2.80	\$2,100.00
01177	AI	A. Iqbal	Associate	\$475.00	0.90	\$427.50
00204	RB	R. Blundell	Paraprofession al	\$360.00	0.20	\$72.00
02682	TD	T. Dolny	Associate	\$310.00	2.20	\$682.00

**Ontario HST 13% (R119440766)**  
On Fees \$426.60

**Total Amount Due \$3,708.10**

E.&O.E.

## EXHIBIT "B"

### SUMMARY OF FEES FOR THE PERIOD NOVEMBER 29, 2019 AND MAY 31, 2020

Invoice No.	Fees	Disbursements	HST	Hours	Average Hourly Rate	Total
3435142	\$20,005.00	\$251.90	\$2,624.94	45.30	\$441.61	\$22,881.84
3467654	\$62,972.50	\$555.39	\$8,199.95	114.70	\$549.16	\$71,727.84
3482409	\$32,756.00	\$52.32	\$4,253.65	60.30	\$543.22	\$37,071.97
3492103	\$3,281.50	\$0.00	\$426.60	6.10	\$581.29	\$3,708.10
<b>TOTAL</b>	<b>\$119,015.00</b>	<b>\$859.61</b>	<b>\$15,505.14</b>	<b>226.4</b>	<b>-</b>	<b>\$135,389.75</b>

## EXHIBIT "C"

### BILLING RATES OF MILLER THOMPSON LLP FOR THE PERIOD NOVEMBER 29, 2019 AND MAY 31, 2020

<b>TIMEKEEPER</b>	<b>HOURLY RATE</b>	<b>YEAR OF CALL</b>
Michael Wren	850.00	1983
Kyla Mahar	730.00	2001
Ron Choudhury	1,000	2002
Frank Torchia	350.00	2009
Asim Iqbal	450.00	2012
Eduard Popov	305.00	2018
Tamie Dolny	310.00	2019
Elsir Tawfik	210.00	Articling Student
Richard Blundell	360.00	Paraprofessional
Dianne Curalli	315.00	Paraprofessional
Jessie Chau	265.00	Paraprofessional
Alina Stoica	200.00	Paraprofessional
Mark Emmanuel	185.00	Paraprofessional
Rebecca Armstrong	135.00	Paraprofessional

**MARSHALLZEHR GROUP INC.**

and

**2305992 ONTARIO INC.**

Court File No.: CV-19-00628446-00 CL

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF ALINA STOICA**  
**(Sworn June 26, 2020)**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
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**Kyla Mahar**

Email: kmahar@millerthomson.com  
Tel: 416.597.4303

**Asim Iqbal**

Email: aiqbal@millerthomson.com  
Tel: 416.597.6008

Lawyers for the Receiver

MARSHALLZEHR GROUP INC.      2305992 ONTARIO INC.  
Applicant      and      Respondent

Court File No.: CV-19-00628446-00 CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**THIRD REPORT OF THE RECEIVER**

**MILLER THOMSON LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Kyla Mahar LSO#: 44182G**  
kmahar@millerthomson.com  
**Asim Iqbal LSO#: 61884B**  
aiqbal@millerthomson.com

Tel: 416.595.2975 / Fax: 416.595.8695

Lawyers for RSM Canada Limited, Court-  
appointed Receiver of 2305992 Ontario Inc.

# TAB 3

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

THE HONOURABLE ) FRIDAY, THE 3<sup>RD</sup>  
 )  
JUSTICE MCEWEN ) DAY OF JULY, 2020

**IN THE MATTER OF s. 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C.  
1985 and s. 101 of the Courts of Justice Act, R.S.O., 1990, c. C-43, as amended**

B E T W E E N:

**MARSHALLZEHR GROUP INC.**

Applicant

- and -

**2305992 ONTARIO INC.**

Respondent

**DISTRIBUTION AND DISCHARGE ORDER**

**THIS MOTION**, made by RSM Canada Inc., in its capacity as the Court-appointed Receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of 2305992 Ontario Inc. (the “**Debtor**”) for an Order:

- (a) approving the Settlement Agreement entered into between MarshallZehr Group Inc. (“**MZ**”), 2704553 Ontario Inc. (“**2704553**”) and the Debtor dated June 26, 2020 annexed as an appendix to the Third Report (the “**Settlement Agreement**”);
- (b) approving the activities of the Receiver as set out in the Third Report of the Receiver dated June 26, 2020 (the “**Third Report**”);



- (c) approving the fees and disbursements of the Receiver and its counsel as set out in the fee affidavits annexed as appendices to the Third Report (the “**Fee Affidavits**”);
- (d) approving the Receiver’s Interim Statement of Receipts and Disbursements for the period November 28, 2019 to June 26, 2020 annexed as an Appendix to the Third Report (the “**R&D**”);
- (e) authorizing and directing the Receiver to file an assignment in bankruptcy by and on behalf of the Debtor;
- (f) approving the distribution of the remaining proceeds available in the estate of the Debtor;
- (g) discharging RSM Canada Inc. as Receiver of the undertaking, property and assets of the Debtor; and
- (h) releasing RSM Canada Inc. from any and all liability, as set out in paragraph 10 of this Order,

was heard this day by videoconference due to the COVID-19 crisis.

**ON READING** the Third Report of the Receiver, the Fee Affidavits and on hearing the submissions of counsel for the Receiver, MarshallZehr Group Inc., 2704553 and the Debtor, no one else appearing although duly served as evidenced by the Affidavits of Service of Alina Stoica sworn June ●, 2020, filed;

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record herein shall be and hereby is abridged so that the motion is properly returnable today, and that any further service thereof is hereby dispensed with.

## **APPROVAL OF SETTLEMENT**

2. **THIS COURT ORDERS** that the Settlement Agreement be and is hereby approved.

### **APPROVAL OF FEES AND DISBURSEMENTS**

3. **THIS COURT ORDERS** that the Third Report and the activities of the Receiver are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Third Report and the Fees Affidavits, be and are hereby approved.

### **APPROVAL OF R&D**

5. **THIS COURT ORDERS** that the R&D be and is hereby approved.

### **AUTHORIZATION TO ASSIGN DEBTOR INTO BANKRUPTCY**

6. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to assign the Debtor into bankruptcy.

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

### **FINAL DISTRIBUTIONS**

8. **THIS COURT ORDERS** that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands as follows:

- (a) first, to RSM Canada Inc., in its capacity as trustee in bankruptcy to fund the administrative cost of the bankruptcy of the Debtor in the amount of \$25,000 plus HST;
- (b) second, to MZ on account of its outstanding legal costs incurred in respect of the Debtor and these Receivership Proceedings to the date of distribution;
- (a) third, after payment of the amounts in (a) and (b) above,
  - i) the remaining funds to MZ except 25% of the remaining funds to a maximum of \$500,000; and
  - ii) 25% of the remaining funds to a maximum of \$500,000 to 2704553 or as it may otherwise direct.

## **RECEIVER'S DISCHARGE AND RELEASE**

9. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph 8 hereof and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtor, 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 RSM Canada Inc. in its capacity as Receiver.

10. **THIS COURT ORDERS** that RSM Canada Inc. is hereby released and discharged from any and all liability that RSM Canada Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of RSM Canada Inc. 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, RSM Canada Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

## **EFFECTIVENESS OF ORDER**

11. **THIS COURT ORDERS** that, due to the COVID-19 pandemic, this order is immediately effective and enforceable without the need for entry and filing until further direction from this Court.

---

MARSHALLZEHR GROUP INC.  
Applicant

and

2305992 ONTARIO INC.  
Respondent

Court File No.: CV-19-00628446-00 CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**DISTRIBUTION AND DISCHARGE ORDER  
(DATED JULY 3, 2020)**

**MILLER THOMSON LLP**

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40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Kyla E.M. Mahar (LSO# 44182G)**

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**Asim Iqbal (LSO# 61884B)**

aiqbal@millerthomsom.com

Tel: 416.595.6008 / Fax: 416.595.8695

Lawyers for RSM Canada Limited, in its capacity  
as Court-appointed Receiver of 2305992 Ontario  
Inc.

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD  
(returnable July 3, 2020)**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Kyla Mahar LSO#: 44182G**

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**Asim Iqbal LSO# 61884V**

aiqbal@millerthomson.com  
Tel: 416.595.2975 / Fax: 416.595.8695

Lawyers for RSM Canada Limited in its capacity  
as Court-appointed Receiver of 2305992 Ontario  
Inc.