

Court File No. CV-18-601116-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and -

2492167 ONTARIO LTD.

Respondent

SECOND REPORT OF THE RECEIVER OF
2492167 ONTARIO LTD.

April 5, 2019

Table of Contents

I.	INTRODUCTION	1
II.	BACKGROUND	5
III.	RECEIVER'S ACTIVITIES SINCE THE FIRST REPORT	7
IV.	TENANT ISSUES	8
V.	CONDITION OF THE SHEPPARD PROPERTY	11
VI.	CLOSURE OF GAS STATION AND CONVENIENCE STORE AND COMMUNICATIONS TO TENANTS	18
VII.	OPERATIONS OF THE GAS STATION AND CONVENIENCE STORE	22
VIII.	FIRE SAFETY ISSUES	23
IX.	PARKLAND/ULTRAMAR LEASES	24
X.	INSURANCE	26
XI.	MARKETING AND SALES PROCESS	27
XII.	OFFERS RECEIVED	30
XIII.	THE AGREEMENT OF PURCHASE AND SALE	31
XIV.	APPROVAL OF SALE	32
XV.	THE APS AND TENANTS AT THE SHEPPARD PROPERTY	33
XVI.	PRIOR TRANSACTIONS OF THE DEBTOR	35
XVII.	CONSTRUCTION LIENS	36
XVIII.	OTHER MATTERS	37
XIX.	RECEIVER CERTIFICATES	37
XX.	SECURED OR PRIORITY CLAIMS	38
XXI.	INTERIM DISTRIBUTION	41
XXII.	RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS	42
XXIII.	PROFESSIONAL FEES	42
XXIV.	CONCLUSION	43

Appendices

Appointment Order	A
First Report (without appendices).....	B
September 19 Order.....	C
Correspondence with Green Monkey counsel.....	D
Agreement between Capital Funds and 262	E
Pact Report	F
Pinchin Report.....	G
Scope of Electrical Repairs	H
Warning Notice.....	I
Tenant Letter	J
Second Tenant Letter	K
Third Tenant Letter	L
ACGP Agreement.....	M
Fire Notice	N
Parkland Leases.....	O
Sublease Termination (without Schedule C)	P
Lease Termination (without Schedule C).....	Q
Marketing materials	R
Offers for the Sheppard Property – CONFIDENTIAL APPENDIX	S
The Judgment.....	T
Fourth Tenant Letter.....	U
Schedule of Transactions	V
Summons	W
Subsearch	X

Security Opinion	Y
November 9 Payout Statement.....	Z
Interim Statement of Receipts and Disbursements.....	AA
Affidavit of Daniel Weisz	BB
Affidavit of Catherine Garbig	CC

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) dated July 26, 2018 (the “**Appointment Order**”), RSM Canada Limited (“**RSM**”) was appointed receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of 2492167 Ontario Ltd. (“**249**” or the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including without limitation, the real property municipally known as 5818 Sheppard Avenue East, Toronto, Ontario (collectively the “**Property**”). A copy of the Appointment Order is attached to this report as Appendix “**A**”.
2. On September 12, 2018, the Receiver issued its first report to the Court (the “**First Report**”) for the purpose of, among other things, seeking an Order of the Court to authorize the Receiver to amend Paragraph 21 of the Appointment Order to increase the maximum borrowings set out in that paragraph from \$250,000 to \$600,000. A copy of the First Report, without appendices, is attached to this report as Appendix “**B**”.
3. At the attendance on September 19, 2018 (the “**September 19 Order**”), Justice Penny ordered, among other things, that the borrowing powers of the Receiver set out in paragraph 21 of the Appointment Order be increased, *nunc pro tunc*, from \$250,000 to \$600,000. A copy of the September 19 Order is attached to this report as Appendix “**C**”.
4. The Appointment Order and the September 19 Order, together with related Court documents pertaining to the receivership, have been posted on the

Receiver's website, which can be found at rsmcanada.com/2492167-Ontario-Ltd.

Purpose of Second Report

5. The purpose of this second report of the Receiver (the "**Second Report**") is to:
- (a) report to the Court on the activities of the Receiver since the date of the First Report to April 3, 2019;
 - (b) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period July 26, 2018 to March 31, 2019;
 - (c) report to the Court on the status of the Property and the Receiver's activities in connection with the Property including interactions with tenants;
 - (d) report to the Court on the Receiver's termination of the lease and sublease between the Debtor and Parkland Fuel Corporation ("**Parkland**");
 - (e) report to the Court on the results of the sales process and activities leading to receipt of offers for assets of the Company, including the real property located at 5818 Sheppard Avenue East (the "**Sheppard Property**"); and
 - (f) seek orders:
 - i. authorizing and directing the Receiver to enter into and carry out the terms of the APS (as defined below), together with any further amendments thereto deemed necessary by the

Receiver in its sole opinion, and vesting title to the Purchased Assets (as defined in the APS) in the Purchaser (as defined below), or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the APS and the delivery of a Receiver's certificate to the Purchaser;

- ii. authorizing the Receiver to immediately dispose of any items remaining in unit 104 of the Sheppard Property, and of any contents of any other leased units on the Sheppard Property after 5:00 pm on April 30, 2019;
- iii. authorizing the Receiver to release to Toronto Police Services ("**Toronto Police**") security/camera footage that is located in Unit 104 of the Sheppard Property and if any of such security camera footage or other data or evidence is not required by Toronto Police, authorizing the Receiver to dispose of such security camera footage or other data or evidence;
- iv. terminating all prior or existing actual or purported leases on the Real Property, including those for Units #101, 102, 104, 200, and 201-203, and 206 on condition that the tenants thereunder are, subject to the Receiver's consent in respect of Unit #104, allowed to remain in the leased premises until 5:00 pm on the 30th day of April, 2019;

-
- v. authorizing that the hall cameras installed by any occupiers of the leased units on the Sheppard Property may be immediately removed or otherwise disposed of by the Receiver;
 - vi. authorizing the Receiver to sell or otherwise dispose of any remaining items at the Sheppard Property, including any personal property that may belong to individuals related to the Debtor, or former tenants, or any financial or other records at the Sheppard Property, that are not removed from the Sheppard Property, under the Receiver's supervision, within three business days of the date of the Approval and Vesting Order issued in respect of the Sheppard Property;
 - vii. sealing Confidential Appendix "S" to the Second Report until the closing of the sale of the Sheppard Property;
 - viii. authorizing the Receiver to make the Interim Distribution (defined below);
 - ix. approving the R&D (defined below);
 - x. approving the Second Report and the Receiver's conduct and activities described herein; and
 - xi. approving the fees and disbursements of the Receiver and of the Receiver's counsel, Fogler Rubinoﬀ LLP ("**Fogler**") to February 28, 2019 and March 31, 2019, respectively.

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 CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
7. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.
8. Defined terms in this Second Report have, unless indicated otherwise herein, the same meanings as set out in the First Report.

II. BACKGROUND

9. 249 is an Ontario corporation incorporated on November 19, 2015 and appears to be a single purpose corporation holding legal and beneficial title to certain lands and a free standing gas bar, convenience store and

commercial building located thereon at 5810-5818 Sheppard Avenue East, Toronto, Ontario.

10. As set out in the First Report, according to a corporate search dated June 19, 2018, Karunadevi Nadarajal is the sole director, President, Secretary and Treasurer of 249. The registered office and mailing address for 249 is 16 Moffatt Court, Etobicoke, Ontario.
11. The commercial building situated on the Sheppard Property is comprised of approximately 9,100 square feet, divided into 13 rental units, with 11 units on the first and second floor and 2 basement units. The largest unit is dedicated to the convenience store, which together with the gas bar were managed by the Debtor. The gas station operated under the "Ultramar" brand, while the convenience store (the "**Store**") operated under the "Express Mart" brand. The remainder of the units were comprised of commercial or medical tenants. Three units were vacant as of the date of the Receiver's appointment.
12. Prior to the date of the Appointment Order, the Debtor had ceased operating the gas bar and the Store.
13. The Applicant, Cameron Stephens Financial Corporation ("**Cameron Stephens**") is the registered holder of a first ranking charge/mortgage on the Sheppard Property (the "**Mortgage**").
14. Due to the Debtor being in default of its obligations under the Mortgage, by Notice of Application dated July 6, 2018 ("**Application**"), Cameron Stephens sought the appointment of the Receiver.

-
15. On July 26, 2018, the Court made the Appointment Order and RSM was appointed as Receiver of 249.
 16. Fogler is counsel to the Receiver.
 17. On July 30, 2018, the Receiver requested from the Debtor financial records for 249 including current and annual financial statements. To date, and notwithstanding further requests by the Receiver, no financial statements or other financial records have been provided by the Debtor to the Receiver, other than limited payroll information. Accordingly, the Receiver is administering the receivership on the assumption that the only assets of 249 are the Sheppard Property and amounts that may be owing to 249 by its tenants.

III. RECEIVER'S ACTIVITIES SINCE THE FIRST REPORT

18. As is detailed in the Second Report, the Receiver's significant activities since the issuance of the First Report have consisted of:
 - (i) working with various contractors and consultants to identify, and obtain further clarification of, issues relating to the Sheppard Property;
 - (ii) corresponding with tenants regarding the status of the Sheppard Property including the Receiver's request that tenants vacate the Sheppard Property;
 - (iii) overseeing the operations of the gas bar and the Store until their closure on October 26, 2018;

-
- (iv) arranging for an extension of the insurance policy in respect of the Property;
 - (v) terminating the lease and sublease between the Debtor and Parkland;
 - (vi) arranging for the marketing and requesting of offers for the sale of the Sheppard Property;
 - (vii) facilitating employee claims relating to the Wage Earner Protection Program Act;
 - (viii) addressing a construction lien registered on title to the Sheppard Property; and
 - (ix) reviewing prior transactions of the Debtor.

IV. TENANT ISSUES

Unit 104

- 19. At the time of the Receiver's appointment, Unit 104 was occupied by 2629972 Ontario Corp., which carried on operations as "The Green Monkey" ("**262**" or the "**Green Monkey**"). The Rent Documents provided to the Receiver showed no record of 262 as a tenant of this unit.
- 20. As set out in the Receiver's First Report, the Receiver changed the locks to Unit 104 on September 5, 2018. When the Receiver entered Unit 104, a quantity of narcotics inventory was located, which was, at the Receiver's request, subsequently retrieved by Toronto Police. At that attendance, Toronto Police informed the Receiver that Toronto Police wished to review the Green Monkey's surveillance camera footage to see if there was any

evidence thereon relating to a physical assault, which occurred to another tenant of the Sheppard Property that day. Due to privacy concerns, and since the security camera/footage was the property of the Green Monkey, the Receiver informed Toronto Police that it was not in a position to allow Toronto Police access to Green Monkey's security camera footage without a court order or similar document.

21. Fogler wrote to counsel for the Green Monkey on September 6, 2018 and September 12, 2018, requesting that the Green Monkey contact the Receiver to make arrangements to remove the remainder of the Green Monkey's property from Unit 104. In its communications to the Green Monkey, Fogler also informed the Green Monkey of the Toronto Police request to review the Green Monkey's security camera footage. A copy of the e-mail string with counsel to the Green Monkey is attached to this report as Appendix "D".
22. The Receiver has not received any responses to its requests from Green Monkey or its counsel.
23. On November 9, 2018, the Receiver was contacted by counsel to Capital Funds ATM Inc. ("**Capital Funds**"), who advised the Receiver that Capital Funds had signed an Agreement with 262 to place an ATM machine owned by Capital Funds inside Unit 104.
24. Fogler reviewed the agreement between Capital Funds and 262 and responded to Capital Funds' counsel setting out the Receiver's requirements in order to release the ATM to Capital Funds.

-
25. On or about December 4, 2018, Capital Funds provided the Receiver with a signed letter of direction, indemnity and release. On December 5, 2018, the Receiver met with Capital Funds on site at the Sheppard Property to turn over the ATM to Capital Funds. A copy of the agreement between Capital Funds and 262, including the tenant's authorization to enter Unit #104, is attached to this report as Appendix "E".
26. The Receiver respectfully requests that the Court grant an order authorizing the Receiver to (i) dispose of any property of the Green Monkey remaining on the Sheppard Property; and (ii) provide the security/ camera footage in Unit 104 to Toronto Police.

Units 201 & 203

27. As set out in the Receiver's First Report, the tenant of Unit 201/203, Renaqi Boston, had installed security cameras in common areas of the Sheppard Property, without written authorization from the landlord.
28. After reviewing this issue with Fogler, the Receiver informed Mr. Boston on September 5, 2018 that the security cameras were required to be removed by the tenant.
29. As the tenant had not yet removed the cameras, on October 19, 2018, the Receiver again requested that Mr. Boston remove the surveillance equipment from the common areas of the Sheppard Property. Notwithstanding the Receiver's request, the surveillance equipment was not removed.

-
30. As no other tenants complained to the Receiver regarding the security cameras, the Receiver has not to date incurred the cost of seeking an Order authorizing the Receiver to remove the aforementioned security cameras from the Sheppard Property.
 31. At this time, and based on the pending sale of the Sheppard Property, the Receiver requests an Order authorizing that the hall cameras installed by any occupiers of the leased units on the Sheppard Property may be immediately removed or otherwise disposed of by and in the sole discretion of the Receiver.

V. CONDITION OF THE SHEPPARD PROPERTY

32. As set out in the First Report, upon its attendance at the Sheppard Property on July 26, 2018, the Receiver identified a number of issues relating to the condition of the Sheppard Property including the condition of the roof, the presence of mould, deficiencies with respect to the HVAC system, electrical issues and damage to the building that resulted from a truck colliding with the building (collectively, the “**Issues**”).
33. The Receiver retained Pronto General Contractors (“**Pronto**”) to assess the Issues and inform the Receiver of its findings.
34. Since the date of the First Report, and as described below, the Receiver has worked with, in addition to Pronto, various consultants and contractors to address, rectify and/or further investigate the Issues.

Roof Repairs

35. The roof of the building was replaced on or about September 10, 2018 at a cost of \$38,786, inclusive of HST.

Heating, Ventilation and Air Conditioning (“HVAC”)

36. As discussed in the First Report, the Receiver was advised that the furnaces installed in the commercial building are intended for residential use and do not provide adequate heating to the building. In addition, the Receiver understands that the current HVAC system does not include air conditioning and does not provide for proper ventilation, which could pose a potential health and safety concern to tenants, amongst others.
37. The Receiver engaged Pact Engineering Inc. (“**Pact**”) to complete an assessment of the HVAC system at the Sheppard Property. Pact issued its report to the Receiver on October 23, 2018 (the “**Pact Report**”). The Pact Report identified a number of deficiencies with the HVAC system. These deficiencies include that there is no fresh air introduction (ventilation) in many parts of the building, which is in violation of the Ontario Building Code and Health Department standards. As set out in the Pact Report, the cost to retrofit the HVAC system in order to address the noted issues would be between \$109,428 and \$149,336. A copy of the Pact Report is attached to this report as Appendix “F”.
38. The Receiver was advised that due to the deficiencies in the HVAC system, the heat that the HVAC system generates might not adequately heat the building during the winter months. The risk resulting therefrom, namely that

the pipes could freeze during the winter months potentially causing a water spill in the tenant units, was elevated.

39. The Receiver was informed by Pronto that the incremental cost to install wall heaters while Pronto was on site completing other repairs would be approximately \$3,600. In light of the assessment that the HVAC system may not adequately heat the building during the winter months, and based on the Receiver's view that the costs associated with the issues that would arise if the water pipes broke, the Receiver arranged for wall heaters to be installed.

Mould Assessment and Remediation

40. Pronto was engaged by the Receiver to repair the surface mould that was found at the Sheppard Property. As the repairs progressed and drywall from the building was removed, additional areas of mould were located. It soon became apparent to the Receiver that, based on its discussions with Pronto, the scope of the mould problem was far beyond the surface mould that had been identified and repaired in the early stages of the receivership proceedings.
41. Pronto recommended to the Receiver that, due to the extent of the mould found, the Receiver engage an environmental consultant to assist with identifying the extent of the mould issue, and to provide guidance to the Receiver on how to properly address same.
42. The Receiver arranged for an environmental consultant, Decon Environmental Inc. ("**Decon**"), to attend at the Sheppard Property on

September 15, 2018. After assessing the extent of the mould at the Sheppard Property, Decon recommended that the Receiver engage a consultant to analyze the mould growth and collect air samples for evidence of mould that may not be readily visible.

43. After receiving Decon's comments, the Receiver retained Pinchin Ltd. ("**Pinchin**") to analyze the extent of the water damage and mould growth. Pinchin's tests included the taking of surface samples of mould growth as well as air samples.
44. Pinchin issued its mould assessment report on October 22, 2018 (the "**Pinchin Report**"). In the executive summary of the Pinchin Report, Pinchin set out that, among other things,:
 - (i) wet and/or mouldy drywall finishes were confirmed in the basement, in all the units and lobby on the ground floor, and the majority of the units, washrooms, and hallways on the 2nd floor of the building;
 - (ii) the mould air sampling in Units 100, 103, 204, 104, 200 and 202 indicated that the indoor spore concentration was being impacted by mould growth at the time of testing; and
 - (iii) the wet materials, water damage and mould growth identified in the Pinchin Report were likely caused by a number of issues, including, but not limited to, a hole in the roof (that was repaired by the Receiver prior to Pinchin's testing), vent ducts that would not close, building envelope penetrations, condensate lines of HVAC units

detached in the ceiling space and condensation from refrigeration panels.

A copy of the Pinchin Report is attached to this report as Appendix “G”.

45. In order to assess the scope of work required to address the matters identified in the Pinchin Report, Decon was provided with the Pinchin Report and attended at the Sheppard Property to complete a walk-through of the building in order to provide the Receiver with an updated quote for mould remediation.
46. On October 23, 2018, Decon provided a quote of \$59,680 plus HST to address the mould remediation. Pronto provided the Receiver with its estimate to restore the areas of the building that were affected by the mould. The fees quoted by Pronto were approximately \$90,000, plus HST.
47. The Pinchin Report also set out that the findings of its report should be communicated to the occupants of the Sheppard Property “as recommended by current mould guidelines, and in workplaces, as mandated by occupational health and safety legislation”. The report also suggested that the Receiver consider any interim risk measures that would be appropriate under the circumstances. The Receiver’s activities based on the Pinchin recommendation are discussed later herein.

Electrical Safety Issues

48. Pronto informed the Receiver that it identified certain deficiencies with the building’s electrical infrastructure during Pronto’s review of the Sheppard Property. Pronto arranged for two master electricians to attend at the

Sheppard Property to review the electrical infrastructure and to advise the Receiver of the nature of repairs that may be required to that infrastructure.

49. On or about October 15, 2018, Pronto advised the Receiver that based on the extent of the deficiencies identified during their respective visits, neither master electrician was prepared to provide a quote for the repairs required.
50. In response to this information, the Receiver arranged for a representative of the Electrical Safety Authority ("**ESA**") to attend at the Sheppard Property on October 22, 2018 to conduct a review of the Sheppard Property. Pronto and a master electrician met with the ESA representative and toured the Sheppard Property to review the various electrical issues. The Receiver understands that the ESA representative was able to provide/confirm the scope of work required to rectify the electrical issues in accordance with ESA standards.
51. As ESA would not produce a written report setting out the required repairs, Pronto, in conjunction with the master electrician, provided the scope of work as well as an estimated cost for the repairs ("**Scope of Electrical Repairs**"). Based on this estimate, Pronto estimated that the cost to rectify the electrical issues would be in the range of approximately \$25,000 plus HST. A copy of the Scope of Electrical Repairs is attached to this report as Appendix "**H**".

Other Matters

52. The exterior bay window of unit 200 of the Sheppard Property is damaged such that the siding is missing from the north side and underneath the bay

window, and only plywood appears to be protecting the unit from the elements. Pronto verbally advised the Receiver that this item appeared to be an aesthetic issue rather than a matter of structural integrity or safety. Accordingly, the Receiver has not incurred the cost to replace the siding or investigate further.

53. Pronto has advised the Receiver that there are two areas in the basement of the Sheppard Property that appear to be leaking through the foundation walls. As these leaks were not addressed by 249, they have contributed to the buildup of mould throughout the basement unit. Pronto estimated the cost to effect a basic repair for this issue to be approximately \$35,000, plus HST.

Summary of Repair Quotes

54. Based on the quotes it received, the Receiver calculated that the total cost to effect the repairs required, in addition to the roof repair of \$38,786 previously discussed, would be between \$319,000 and \$359,000 calculated as follows:

	Low	High
Repair	(rounded) (excl. HST)	(rounded) (excl. HST)
Mould Removal	\$150,000	\$150,000
HVAC System Repairs	109,000	149,000
Electrical Repairs	25,000	25,000
Leak Repairs	35,000	35,000
Total	\$319,000	\$359,000

-
55. The Receiver notes that as set out in the Pinchin Report, there may be additional costs to those quoted above once the work contemplated in the Pinchin Report commenced. As a result, it is possible that the costs of rectification could exceed the amounts set out in paragraph 54 of this report.
56. The Receiver was uncertain as to whether a purchaser of the Sheppard Property would retain the present uses of the property, or demolish the commercial building in order to make the property more suitable for the purchaser's intended use.
57. Due to: (i) the quantum of the projected repairs (ii) the length of time it might take for the repairs to be completed; and (iii) the uncertainty of whether the repairs would increase the value of the Sheppard Property by at least the amount spent conducting the above-noted repairs, the Receiver did not seek funding to effect the repairs.

VI. CLOSURE OF GAS STATION AND CONVENIENCE STORE AND COMMUNICATIONS TO TENANTS

58. The Receiver considered the findings contained in the Pinchin Report, the Pact Report and information provided to the Receiver resulting from the attendance of the ESA representative. The Receiver became of the view that the various deficiencies identified at the Sheppard Property, including the various code violations, presented potential health and safety risks to tenants, employees and visitors to the Sheppard Property.

-
59. The Receiver decided that the most prudent course of action would be to cease operations of the gas bar and the Store, effective Friday, October 26, 2018.
60. On that day, the Receiver attended at the Sheppard Property and:
- (i) notified the Manager (defined below) of the Receiver's decision to cease operations;
 - (ii) in conjunction with Parkland, disabled the gas pumps and secured the fuel inventory;
 - (iii) met with certain tenants who were at the Sheppard Property during the Receiver's attendance; and
 - (iv) posted notices around the Sheppard Property to warn tenants, employees and visitors of the mould, ventilation, and electrical hazards that had been recently identified (the "**Warning Notice**").

A copy of the Warning Notice is attached to this report as Appendix "I".

61. On Monday, October 29, 2018, the Receiver hand-delivered letters to each of the tenants at the Sheppard Property (the "**Tenant Letter**") to, among other things, alert them of the significant risks with respect to occupation of, or visitation to, the Sheppard Property. Enclosed with the Tenant Letter were copies of the Pinchin Report and the Pact Report.
62. In the Tenant Letter, the Receiver strongly suggested that the tenant vacate the premises as soon as possible for their and their visitors' health and safety. The Receiver requested that the tenant advise the Receiver by November 1, 2018 of when it would be vacating its premises. The letter

further stated that if the Receiver did not hear from the tenant or if the tenant advised the Receiver that it would vacate their premises on a date that was not acceptable to the Receiver, the Receiver reserved its rights to make an application to the Court for advice and directions. A copy of a Tenant Letter delivered by the Receiver (excluding attachments) is attached to this report as Appendix “J”.

63. When the Receiver attended at the Sheppard Property on October 29, 2018, it noticed that certain of the Warning Notices that the Receiver posted on October 26 had been taken down. The Receiver provided the tenants with additional copies of the Warning Notices and requested that the tenants re-post them outside of their units.
64. As of November 1, 2018, the Receiver did not receive any written responses to its correspondence. A number of the tenants verbally informed the Receiver that they would not be vacating their units. Accordingly, on November 6, 2018, the Receiver delivered to each of the tenants a second letter that, among other things, provided another copy of the Warning Notice that the Receiver had requested be posted to the entrance of the tenant’s unit, for the protection of, and benefit to, all occupants and visitors to their premises (“**Second Tenant Letter**”). A copy of a Second Tenant Letter is attached to this report as Appendix “K”.
65. On November 29, 2018, due to the onset of winter and the Receiver’s concern that the lack of heat in the premises could result in the freezing and subsequent bursting of the building’s water pipes, the Receiver sent a

further letter to the tenants (the “**Third Tenant Letter**”). The Third Tenant Letter (i) set out the Receiver’s above-noted concern; (ii) noted that the warning notices the Receiver previously provided to the tenants to be posted at their unit were not posted and again provided the tenants with copies of the notice; and (iii) informed the tenants that the Receiver intended to commence marketing the Sheppard Property for sale within the next month. The Third Tenant Letter also informed the tenants that the tenants, upon the completion of a sale of the Sheppard Property, may be required to vacate the Sheppard Property at that time as Cameron Stephens had obtained an order for vacant possession, which would take effect upon the sale of the Sheppard Property. A copy of the form of the Third Tenant Letter is attached hereto as Appendix “L”.

66. As of the date of the Second Report, and notwithstanding the Receiver’s repeated warnings and requests that the tenants vacate the Sheppard Property, there remain five tenants at the Sheppard Property.

Convenience Store ATM Equipment

67. A representative of Access Cash General Partnership (“**ACGP**”) contacted the Receiver and advised the Receiver that ACGP was the owner of an ATM machine located in the Express Mart convenience store. A copy of the agreement between ACGP and 249 (“the **ACGP Agreement**”), provided to the Receiver by ACGP, is attached to this report as Appendix “M”.

-
68. Fogler reviewed the ACGP agreement and advised the Receiver that it would be prudent to have ACGP provide a release to the Receiver for any and all liability relating to the ATM machine and its release.
69. On February 14, 2019, the Receiver provided ACGP with a direction, indemnity and release (the "**Release**"), to be signed by ACGP and returned to the Receiver, prior to the Receiver releasing the ATM machine to ACGP.
70. On February 28, 2019, ACGP executed the Release and provided it to the Receiver. On March 15, 2019, a representative of ACGP attended at the Sheppard Property to remove the ATM machine.

VII. OPERATIONS OF THE GAS STATION AND CONVENIENCE STORE

71. Prior to the date of the Receiver's appointment, the Debtor had discontinued the operations of the gas station and the Store.
72. After making arrangements considered necessary by the Receiver, the Receiver recommenced operations on August 23, 2018 and maintained 24-hour operations for the period of August 23, 2018 to October 26, 2018 (the "**Operating Period**"). To manage the operations of the gas station and convenience store, the Receiver engaged the services of Nazlin Jinna ("**Jinna**") pursuant to the terms of a management agreement entered into between the Receiver and Jinna.
73. On October 10, 2018, for various reasons, the Receiver issued a Notice of Termination to Jinna and agreed to pay Jinna's fees to October 26, 2018, representing the last day of the initial three-month term of the management agreement.

-
74. Effective October 10, 2018, the Receiver entered into a management agreement with 1753927 Ontario Inc. o/a Sunnyhill Gas & Smokes to take over as manager (the **"Manager"**).
 75. Due to the condition of the Sheppard Property, as set out above, the Receiver ceased the operations of the gas station and Store on October 26, 2018.
 76. The Receiver notes that for the period August 23, 2018 to October 26, 2018, the operations of the gas station and the Store generated a loss of approximately \$28,000 before consideration of the costs of utilities, insurance, property taxes, or the fees of the Receiver to oversee the operations.

VIII. FIRE SAFETY ISSUES

77. On October 29, 2018, Pronto informed the Receiver that it had reviewed the original drawings for the Sheppard Property and noted that there was to be a second staircase built which, according to Pronto, would typically be a secondary fire escape route.
78. As there was no secondary staircase at the Sheppard Property and, due to the Receiver's concern that the building may not comply with the Ontario Fire Code, the Receiver contacted Toronto Fire Services ("**TFS**") on October 29, 2018 to request an inspection of the Sheppard Property.
79. On November 6, 2018, a representative of TFS attended at the Sheppard Property to tour the Sheppard Property with the Receiver.

-
80. On November 20, 2018, the Receiver received from TFS a “Fire Services – Notice of Violation” (the “**Fire Notice**”). The Fire Notice listed various deficiencies, certain of which related to work performed during the receivership period that was to assist the Receiver with its investigation and assessment of the extent of the mould issue. A copy of the Fire Notice is attached hereto as Appendix “**N**”.
81. On November 22, 2018, the Receiver met with Pronto at the Sheppard Property to review the deficiencies identified in the Fire Notice. The Receiver requested that Pronto provide a quote to rectify the deficiencies that arose post-receivership, primarily the replacement of drywall in the second floor public corridor.
82. On November 27, 2018, the Receiver received a quote from Pronto for \$27,300 (excl. HST) to address all deficiencies that arose after the date of the commencement of the receivership proceedings. The Receiver subsequently authorized Pronto to complete the requisite work.
83. On December 6, 2018, the Receiver notified TFS of the repairs set out in the Fire Notice being completed by December 14, 2018, and invited TFS to schedule an inspection of the repairs that were completed.
84. As of the date of the Second Report, the Receiver has not received any further correspondence from TFS.

IX. PARKLAND/ULTRAMAR LEASES

85. Prior to the Receiver’s appointment, the Debtor had entered into the following agreements with Parkland Fuel Corporation (“**Parkland**”):

-
- (i) Agreement of Lease between the Debtor as Lessor, and CST Canada Co. (assigned to Parkland) as Lessee, dated the 9th day of December, 2015 (the "**Lease**"); and
 - (ii) Agreement of Sublease between CST Canada Co. (now Parkland) as Lessor, and the Debtor as Lessee, also dated the 9th day of December, 2015 (the "**Sublease**").

Copies of the Lease and Sublease (collectively, the "**Parkland Leases**") are attached to this report as Appendix "**O**".

- 86. The Receiver and Fogler reviewed the terms of the Parkland Leases. In addition, the Receiver discussed the terms of the Parkland Leases with potential listing agents who the Receiver met to discuss the marketing and sale of the Sheppard Property.
- 87. Based on its review and discussions, the Receiver became concerned that certain terms of the Parkland Leases would have a negative impact on the Receiver's sales process. In particular, the Receiver was concerned that the Parkland Leases contained (i) a right of first refusal to Parkland upon a sale of the Sheppard Property; and (ii) restrictions related to the purchase of fuel and other products.
- 88. Accordingly, on November 2, 2018, the Receiver issued an Early Termination Notice of Sublease in respect of the Sheppard Property (the "**Sublease Termination**"), notifying Parkland that the Receiver was terminating the sublease effective upon the expiry of 10 days from the date of the Sublease Termination as the sublease was in default. A copy of the

Sublease Termination (without Schedule C) is attached to this report as Appendix "**P**".

89. In addition, on November 2, 2018, the Receiver issued an Early Termination Notice of Lease in respect of the Sheppard Property (the "**Lease Termination**"), notifying Parkland that the Receiver was terminating the lease effective upon the expiry of 30 days from the date of the Lease Termination as the lease was in default. A copy of the Lease Termination (without Schedule C) is attached to this report as Appendix "**Q**".
90. Parkland did not respond to the Sublease Termination or the Lease Termination issued by the Receiver.
91. As of January 30, 2019, the Parkland Lease was removed from title to the Sheppard Property at the request of the Receiver.

X. INSURANCE

92. On or about October 29, 2018, the Receiver contacted the insurance broker, My Insurance Broker (the "**Broker**"), to advise it of the Issues described previously in this report, and to provide them with copies of the Pact Report, the Pinchin Report, and the quote for electrical repairs.
93. On November 20, 2018, the Broker informed the Receiver that the insurer, Burns & Wilcox Canada (the "**Insurer**"), had decided that the Insurer would not renew 249's policy, which was set to expire on December 7, 2018.
94. On November 23, 2018, after reviewing with Fogler the Insurer's correspondence, the Receiver sent a letter to the Insurer and the Broker setting out the Receiver's position that, among other things, Paragraph 12

of the Appointment Order restrains and therefore prohibits the Insurer from discontinuing, altering, interfering with, or terminating the insurance coverage existing as at the date of the Appointment Order.

95. On November 27, 2018, the Broker advised the Receiver that the Insurer had reconsidered its position, and was willing to renew the coverage under terms that were substantially the same as the existing policy.
96. On December 3, 2018, the Insurer bound the policy renewal.

XI. MARKETING AND SALES PROCESS

97. The Receiver invited CBRE Limited ("**CBRE**") and Lennard Commercial Realty ("**Lennard**"), to submit listing proposals for the marketing and sale of the Sheppard Property. Colliers International ("**Colliers**") had previously submitted a listing proposal at the time the Receiver sought from Colliers a proposal to act as leasing agent for the Sheppard Property.
98. The Receiver received listing proposals from CBRE and Lennard. As noted earlier in this report, Colliers had previously provided a listing proposal. After reviewing the listing proposals from CBRE and Lennard, the Receiver arranged for meetings with each of CBRE and Lennard with the secured lender. The Receiver and Cameron Stephens had previously met with Colliers.
99. During the meetings held with the realtors and comments made by the realtors, it became apparent to the Receiver that the marketing of the Sheppard Property with the Parkland Leases in place could have, for the

reasons set out earlier in this report, a detrimental effect on the realizations from the sale of the Sheppard Property.

100. Accordingly, the Receiver did not retain a listing agent nor otherwise commence a process to market the Sheppard Property for sale until the Sublease Termination and Lease Termination became effective.
101. On January 18, 2019, after the holiday season, the Receiver entered into a listing agreement with CBRE to market the Sheppard Property for sale.
102. CBRE launched its marketing campaign on January 28, 2019. The process ran from January 28, 2019 to March 6, 2019, and interested parties were informed that the offer submission date was scheduled for noon on March 6, 2019. The Receiver provided CBRE with a form of agreement of purchase and sale for the Sheppard Property, on which offers for the Sheppard Property were to be submitted.
103. A summary of the marketing activities undertaken by CBRE is set out below:
 - (i) the Sheppard Property was listed on the TREB MLS on January 28, 2019;
 - (ii) brochures were mailed out along with the Confidentiality Agreement on a targeted basis to over 1,100 gas stations purchasers and developers the week of February 11 ("**Brochures**");
 - (iii) postcards were mailed to a list of 3,000 automotive users, retail property owners and retail investors ("**Postcards**");
 - (iv) e-mails were sent to CBRE's industry specific lists, and to recipients of CBRE's Land Services Group Available Properties;

-
- (v) an advertisement was placed on February 1, 2019 in the Toronto edition of *Novae Res Urbis* ("**NRU Advertisement**");
 - (vi) advertisements in the Globe and Mail newspaper were published on February 14 and 16, 2019 ("**G&M Advertisement**");
 - (vii) advertisements appeared in six insertions from February 11 to February 16, 2019 in Sing Tao's English and Mandarin editions ("**Sing Tao Advertisement**");
 - (viii) an 8ft. x 8 ft. "For Sale" sign was placed at the corner of Gateforth Drive and Sheppard Avenue East (the "**Signage**");
 - (ix) targeted solicitation calls were made to fuel marketers and fuel distributors with corporate and/or dealer retail fuel outlet operations in Ontario, and to private fuel dealers with retail fuel outlet operations in Ontario;
 - (x) the Sheppard Property was also listed on CBRE's website and Realtor.ca; and
 - (xi) an electronic data room was set up to provide access to confidential information pertaining to the Sheppard Property to parties which had executed a confidentiality agreement.

Copies of the Brochure, Post Card the NRU Advertisement, the G&M Advertisement, the Sing Tao Advertisement and the Signage are attached collectively to this report as Appendix "**R**".

XII. OFFERS RECEIVED

104. As set out above, interested parties were advised that offers for the Sheppard Property would be reviewed on March 6, 2019. As at that date, Confidentiality Agreements were signed by 52 prospective purchasers or brokers, all of whom were given access to the electronic data room.
105. As of March 6, 2019, 14 offers had been submitted to CBRE for the Sheppard Property, all of which offers were presented on the form of agreement of purchase and sale provided by the Receiver. A summary of the offers received for the Sheppard Property ("**First Round of Offers Summary**") is attached to this report as Tab 1 to Confidential Appendix "**S**".
106. The Receiver reviewed with CBRE and the secured lender the offers received, and determined that CBRE should provide all offerors with an opportunity to improve or amend their offers. Those parties were requested to submit any revised offers by March 14, 2019.
107. A copy of the summary of offers received at the conclusion of the second round of offers for the Sheppard Property ("**Second Round of Offers Summary**") is attached to this report as Tab 2 to Confidential Appendix "**S**". CBRE reviewed the offers received with the Receiver and the secured lender. Based on the results of the second round of offers, and taking into account the views of CBRE, the Receiver accepted the offer from 2647766 Ontario Inc. (the "**Purchaser**"). On March 19, 2019, another offer was received, that was for a lower purchase price than that accepted by the

Receiver, the details of which are also included in Tab 2 to Confidential Appendix "S".

108. As of March 19, 2019, the Receiver entered an agreement of purchase and sale with the Purchaser (the "**APS**") which is now subject to approval of the Court.

XIII. THE AGREEMENT OF PURCHASE AND SALE

109. Salient terms of the APS and matters relating thereto include (all capitalized terms in this section not defined in the APS are as otherwise defined in the Second Report):

- i) the Purchased Assets include the Sheppard Property, Fixtures and Chattels, the Tank, and the right, title and interest of 249 in and to all benefits, advantages, licences, guarantees, warranties, indemnities, income and options relating to the Sheppard Property;
- ii) the deposit to be provided under the APS has been received from the Purchaser;
- iii) the offer is firm as the Purchaser has waived conditions;
- iv) the APS is conditional on Court approval and the issuance of an order vesting title to the Purchased Assets in the Purchaser free and clear of claims and encumbrances, other than those specifically itemized in the APS;
- v) the Purchaser is buying the Purchased Assets on an "as is, where is" basis;

vi) the Purchaser does not assume any of the leases or tenancies at the Sheppard Property; and

vii) closing of the sale provided for in the APS is scheduled to occur on the thirteenth Business Day following the date on which the Vesting Order is granted, or such other date as agreed between the Purchaser and the Receiver.

110. A copy of the APS is attached to this report as Tab 3 to Confidential Appendix "S".

XIV. APPROVAL OF SALE

111. The Receiver believes that the marketing process undertaken by the Receiver was appropriate for the type of property in question, and provided sufficient market exposure to the Sheppard Property for the following reasons:

- (i) notice of the sale of the Sheppard Property was sent to more than 1,000 parties;
- (ii) advertisements were placed in *Novae Res Urbis*, the Globe and Mail and Sing Tao newspapers;
- (iii) a sign advertising the Sheppard Property for sale was placed at the Sheppard Property;
- (iv) the Sheppard Property was listed for sale on MLS;
- (v) the Sheppard Property was listed on CBRE's website; and
- (vi) the Sheppard Property was exposed to the market for a period of approximately five and one half weeks.

-
112. The Receiver therefore recommends the approval of the APS by this Honourable Court.
113. The Receiver believes that details of the offers submitted for the Sheppard Property including matters relating thereto should be kept confidential until the closing of the sale of the Sheppard Property. The Receiver is of the view that public disclosure thereof could have a negative impact on the future marketing of the Sheppard Property should the transaction with the Purchaser not be approved or completed.
114. The Receiver therefore respectfully requests that Confidential Appendix "S" be sealed until after the closing of the sale of the Sheppard Property.

XV. THE APS AND TENANTS AT THE SHEPPARD PROPERTY

115. As referred to above, the APS provides that the Purchaser is not assuming any of the leases or tenancies at the Sheppard Property.
116. In the Third Tenant Letter (Appendix "L"), the Receiver informed the tenants that upon the completion of a sale of the Sheppard Property, the tenants may be required to vacate the Sheppard Property at that time as Cameron Stephens had obtained an order for vacant possession, which would take effect upon the sale of the Sheppard Property. A copy of the Judgment made on September 20, 2018 (the "**Judgment**") made in connection with Cameron Stephens' application to the Court, is attached as Appendix "T" to this report.

117. On March 29, 2019, (the “**Fourth Tenant Letter**”), the Receiver wrote letters to each of the current tenants informing them that:

- (i) the Receiver had entered into an agreement of purchase and sale for the Sheppard Property and that the transaction was subject to approval by the Court;
- (ii) the Receiver was making an application to the Court, scheduled for April 16, 2019, for an order approving the APS (“**Approval and Vesting Order**”);
- (iii) assuming that the Court issued the Approval and Vesting Order, closing of the transaction would occur on the 13th business day following the date of the Approval and Vesting Order;
- (iv) pursuant to the Judgment, Cameron Stephens was entitled to vacant possession of the Sheppard Property;
- (v) unless arrangements were made with the Purchaser, the tenants were required to vacate the Sheppard Property on or before April 30, 2019; and
- (vi) the Receiver would provide the tenants with the Motion Record for the approval and vesting order, when issued.

A copy of the Fourth Tenant Letter is attached as Appendix “U” to this report.

118. In order that the Receiver can complete its obligations pursuant to the APS, the Receiver respectfully requests that the Court grant an Order directing the tenants to vacate the Sheppard Property on or before April 30, 2019.

XVI. PRIOR TRANSACTIONS OF THE DEBTOR

119. The Receiver requested from the Company's operating bank, TD Canada Trust ("TD"), copies of bank statements for the period since the Debtor commenced operations in July 2016 in order to assess whether the Debtor may have made any payments or entered into any transactions that were out of the ordinary course of business.
120. Upon receipt of the banking information from TD, the Receiver conducted a review of the banking information provided and made requests for additional information from TD to attempt to identify the recipients of payments/transfers made by the Debtor.
121. Attached as Appendix "V" to this report is a schedule prepared by the Receiver setting out transactions, namely disbursements and transfers greater than \$10,000, of the Debtor that appear to be out of the ordinary course of business (the "**Schedule of Transactions**").
122. With reference to the Schedule of Transactions, the Receiver has, by letters dated November 2, 2018 and November 15, 2018, requested that Mota Drywall Inc. ("**Mota**") provide invoices and/or other supporting documentation for the payments made to Mota.
123. To date, Mota has not responded to the Receiver's correspondence.
124. The Receiver has not yet determined whether it will proceed further with inquiries into any of the transactions set out in Appendix "V". The Receiver

will discuss with key stakeholders whether it is prudent to pursue one or more of these transactions and will report further to the Court going forward.

XVII. CONSTRUCTION LIENS

125. On or about December 11, 2018, the Receiver became aware of a lien registered on title to the Sheppard Property on September 17, 2018 (the “**Lien**”).
126. The Lien, in the amount of \$1,061,423.00, was filed in respect of the claim of Sand Gecko Inc., Kin Mac Construction, and Behzad Pilehver (collectively, the “**Lien Claimants**”).
127. The Lien was registered after the date of the Appointment Order and after the Appointment Order had been filed on title to the Sheppard Property. The Receiver, through counsel, made an application to the Ontario Land Registry Office (“**LRO**”) to have the Lien struck from title.
128. On or about December 20, 2018, the Lien was removed from title by the LRO. On February 5, 2019, a second lien on behalf of the Lien Claimants in the same amount as the Lien was registered against title (the “**Second Lien**”).
129. On February 25, 2019, the Receiver became aware of the Second Lien. Fogler advised the Receiver that the Second Lien had been certified by the LRO, and therefore could not be struck from title.
130. Fogler contacted counsel to the Lien Claimants to discuss the Second Lien. Counsel to the Lien Claimants filed an Application to Delete Construction

Lien that was registered on February 28, 2019, thereby causing the removal of the Second Lien from title to the Sheppard Property.

XVIII. OTHER MATTERS

131. On November 1, 2018, the Debtor forwarded to the Receiver a summons for the Company to appear in Court on November 2, 2018 (the “**Summons**”). The Summons refers to Chapter 545 of the Toronto Municipal Code, which deals with Licensing, and specifically that the Company was operating as a Public Garage Owner with no license. A copy of the Summons is attached as Appendix “**W**” to this report.
132. On November 1, 2018, the Receiver contacted the prosecutor’s office at the Markham Courthouse to advise (i) that a Receiver of the Company had been appointed; (ii) a stay of proceedings was in place as a result of the Appointment Order; and (iii) that the Receiver would not be attending in Court in regard to the Summons.

XIX. RECEIVER CERTIFICATES

133. Pursuant to Paragraph 4 of the September 19 Order, the borrowing powers of the Receiver under paragraph 21 of the Appointment Order (the “**Borrowing Limit**”) were increased, *nunc pro tunc*, from \$250,000 to \$600,000.
134. To date, the Receiver has borrowed, and has issued Receiver’s Certificates, totaling \$600,000.

XX. SECURED OR PRIORITY CLAIMS

135. Paragraphs 85-88 of the First Report describes the security interests registered against the Debtor. Fogler ordered an updated subsearch of the Sheppard Property (the “**Subsearch**”). A copy of the Subsearch is attached as Appendix “X” to this report.
136. There remains a subordinate mortgage and assignment of rents on title, to Vida Parsi. Those are to be expunged from title, as set out in the Motion Record. Counsel to the subordinate mortgagee is Mr. Michael McKee, who contacted Fogler on November 28, 2018. Mr. McKee has since been advised of these proceedings by Fogler, including whether or not any proceeds from the sale of the Sheppard Property will be available for distribution to his client.

Cameron Stephens

137. The Receiver has received an opinion from Fogler (the “**Security Opinion**”) that, subject to the qualifications and assumptions contained in the Opinion,:
- (i) the general security agreement to and in favour of Cameron Stephens appears to create a good and valid security interest in all of 249’s personal property, undertaking and assets;
 - (ii) the mortgage in favour of Cameron Stephens appears to create a good and valid first ranking mortgage and charge in the Sheppard Property; and

(iii) the general assignment of rents and leases appears to create a good and valid first ranking charge and security interest in the rents and leases.

A copy of the Security Opinion is attached as Appendix "Y" to this report.

Deemed Trust Claims of Canada Revenue Agency ("CRA")

138. As set out earlier herein, other than limited payroll information, the Debtor has not provided the Receiver with any financial information that would permit the Receiver to file the requisite returns for the period ending July 26, 2018. On August 15, 2018, the Receiver spoke with a representative of CRA who advised that the representative will be contacting the Debtor to ask for the location of the books and records in order that a trust exam can be done, and that the representative would inform the Receiver if information was received from the Debtor.
139. On March 18, 2019, CRA verbally informed the Receiver of the following:
- i) CRA has not received any financial information from the Debtor;
 - ii) the last HST return filed by 249 was for the year ended December 31, 2017 and there is a balance owing of \$7,864.32 relating to this return;
 - iii) 249 has not filed an HST return for the period January 1, 2018 to July 26, 2018; and
 - iv) the Company has not remitted any source deductions for the period May 1, 2018 to July 26, 2018.

-
140. The CRA representative with whom the Receiver spoke indicated that the representative would review the 249 file and provide further information to the Receiver. That information has not yet been received.
141. Accordingly, the Receiver has not as of the date of this report, been able to obtain from CRA the amount of any “deemed trust” claim that CRA may have against 249 in respect of unremitted HST and source deductions. The Receiver will provide a further update as to the status of the Debtor’s obligations to CRA in its next report to the Court.

Wage Earner Protection Program Act (“WEPPA”)

142. On September 7, 2018, the Receiver mailed to eligible former employees of 249 an information package that included a proof of claim form and instructions on how to apply for a payment under WEPPA (the “**WEPP Letters**”).
143. Based on the limited information available to the Receiver, the Receiver identified five employees who may have been entitled to file a WEPPA claim. The WEPP Letters were sent to the five employees.
144. Since September 7, 2018, the Receiver has responded to numerous inquiries regarding information included in the WEPP Letters.
145. As of the date of the Second Report, only one of the former employees has completed and returned to the Receiver the required documentation. The Receiver in turn has forwarded that information to Service Canada.

XXI. INTERIM DISTRIBUTION

146. Upon the closing of the sale of the Sheppard Property, and receipt by the Receiver of the net sales proceeds therefrom, funds will be available for the Receiver to make an interim distribution in respect of Cameron Stephen's loans to 249.
147. As set out above, the Receiver has received the Security Opinion indicating that the mortgage granted by 249 to Cameron Stephens in respect of the Sheppard Property is a valid first charge on the Sheppard Property.
148. On the closing of the sale of the Sheppard Property, the Receiver proposes to make the following payments from the net proceeds of sale, after payments of the property taxes and commissions payable to CBRE in respect of the Sheppard Property (the "**Interim Distribution**"):
- (i) repayment of the advances totaling \$600,000 under Receiver Certificates issued by the Receiver, plus accrued interest; and
 - (ii) to Cameron Stephens, an amount not exceeding the outstanding indebtedness of 249 to Cameron Stephens secured by Cameron Stephen's first mortgage over the Sheppard Property.
149. As of November 9, 2018, the amount outstanding to Cameron Stephens was \$6,327,777, including amounts advanced pursuant to Receiver Certificates. A copy of the November 9, 2018 payout statement (the "**November 9 Payout Statement**") is attached to this report as Appendix "**Z**".

XXII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

150. Attached to this report as Appendix "**AA**" is the Receiver's Interim Statement of Receipts and Disbursements for the period July 26, 2018 to March 31, 2019 (the "**R&D**"). As set out on the R&D, as at March 31, 2019, receipts, including advances of \$600,000 pursuant to Receiver's Certificates, were \$1,221,388 while disbursements recorded were \$1,171,987 resulting in a net cash balance of \$49,401.

XXIII. PROFESSIONAL FEES

151. The Receiver's accounts total \$190,968.50 in fees plus HST of \$24,825.91 for a total amount of \$215,794.41 for the period September 1, 2018 to February 28, 2019 (the "**Receiver's Accounts**"). A copy of the Receiver's Accounts, together with a summary of the accounts, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Daniel Weisz sworn April 4, 2019 that is attached to this report as Appendix "**BB**".

152. The accounts of the Receiver's counsel, Fogler, total \$286,276.89 in fees and disbursements and \$37,184.84 in HST for a total of \$323,461.73 for the period August 28, 2018 to March 31, 2019 (the "**Fogler Accounts**"). A copy of the Fogler Accounts, together with a summary of the personnel, hours and hourly rates described in the Fogler Accounts, supported by the Affidavit of Catherine Garbig sworn April 4, 2019 is attached to this report as Appendix "**CC**".

XXIV. CONCLUSION

153. The Receiver respectfully requests that the Court grant an Order which provides for the following:

- (i) authorizing and directing the Receiver to enter into and carry out the terms of the APS, together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Purchased Assets (as defined in the APS) in the Purchaser, or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the APS and the delivery of a Receiver's certificate to the Purchaser;
- (ii) authorizing the Receiver to immediately dispose of any items remaining in unit 104 of the Sheppard Property, and of any contents of any other leased units on the Sheppard Property after 5:00 pm on April 30, 2019;
- (iii) authorizing the Receiver to release to Toronto Police security/camera footage that is located in Unit 104 of the Sheppard Property and if any of such security camera footage or other data or evidence is not required by Toronto Police, authorizing the Receiver to dispose of such security camera footage or other data or evidence;
- (iv) terminating all prior or existing actual or purported leases on the Real Property, including those for Units #101, 102, 104, 200, and

201-203, and 206 on condition that the tenants thereunder are, subject to the Receiver's consent in respect of Unit #104, allowed to remain in the leased premises until 5:00 pm on the 30th day of April, 2019;

- (v) authorizing that the hall cameras installed by any occupiers of the leased units on the Sheppard Property may be immediately removed or otherwise disposed of by the Receiver;
- (vi) authorizing the Receiver to sell or otherwise dispose of any remaining items at the Sheppard Property, including any personal property that may belong to individuals related to the Debtor, or former tenants, or any financial or other records at the Sheppard Property, that are not removed from the Sheppard Property, under the Receiver's supervision, within three business days of the date of the Approval and Vesting Order issued in respect of the Sheppard Property;
- (vii) sealing Confidential Appendix "S" to the Second Report until the closing of the sale of the Sheppard Property;
- (viii) authorizing the Receiver to make the Interim Distribution;
- (ix) approving the R&D;
- (x) approving the Second Report and the Receiver's conduct and activities described herein; and
- (xi) approving the fees and disbursements of the Receiver and Fogler to February 28, 2019 and March 31, 2019, respectively.

All of which is respectfully submitted to this Court as of this 5th day of April, 2019.

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver
and Manager of 2492167 Ontario Ltd. and
not in its personal capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX A

Court File No. CV-18-601116-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE *Mr*) THURSDAY, THE 26TH
JUSTICE *T. McEwen*)
) DAY OF JULY 2018.



CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and -

2492167 ONTARIO LTD.

Respondent

**ORDER
(appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order, inter alia, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing RSM Canada Limited ("RSM") as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of 2492167 Ontario Ltd. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Tim Ryder sworn July 6, 2018 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing for any other person on the service list, although duly served as appears from the affidavit of services and on reading the consent of RSM to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, RSM is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including without limitation, the real property municipally known as 5818 Sheppard Avenue East, Toronto, Ontario and is legally described as set out in Schedule "B" annexed hereto (collectively the "Property").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

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

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that

nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including

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

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may

consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Guide of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Guide service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a

Case Website shall be established in accordance with the Guide with the following URL 'rsmcanada.com/2492167-ontario-ltd'.

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

GENERAL

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

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

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

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

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

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

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



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

JUL 26 2018

PER / PAR: 

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver (the "Receiver") of the assets, undertakings and properties 2492167 Ontario Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 26th day of July, 2018 (the "Order") made in an action having Court file number CV-18-601116-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the _____ day of July, 2018.

RSM Canada Limited, solely in its capacity as
Receiver and Manager of the assets,
undertakings and properties of 2492167 Ontario
Ltd., and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"

Property Description:

PIN 06074-0198 LT

PCL BLK 95-1, SEC M2168 BLK 95, PLAN 66M2168, SUBJ TO EASE OVER PT BLK 95, 66M2168 AS SHOWN IN BROKEN OUTLINE FORMERLY INCLUDED WITHIN THE LIMITS OF PTS 5 & 7 66R14060 AS IN TB162935, SC545197 (C151519 & C151520) SCARBOROUGH, CITY OF TORONTO

CAMERON STEPHENS FINANCIAL
CORPORATION
Applicant

2492167 ONTARIO LTD.
and
Respondent

Court File No. CV-18-601116-00CL

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(appointing Receiver)**

GARFINKLE BIDERMAN LLP

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

Jeffrey A.L. Kriwetz LSUC#: 32318V

Tel: 416-869-1234

Fax: 416-869-0547

Lawyers for the Applicant,
Cameron Stephens Financial Corporation

File Number: 6243-418

RCP-E 4C (May 1, 2016)

APPENDIX B

Court File No. CV-18-601116-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and -

2492167 ONTARIO LTD.

Respondent

FIRST REPORT OF THE RECEIVER OF
2492167 ONTARIO LTD.

September 12, 2018

Table of Contents

I.	INTRODUCTION	1
II.	BACKGROUND.....	4
III.	RECEIVER'S ACTIVITIES TO DATE	5
IV.	TENANTS OF THE LANDS	9
V.	UNIT 104.....	13
VI.	CONDITION OF THE LANDS	18
VII.	OPERATIONS OF THE GAS STATION AND CONVENIENCE STORE	19
VIII.	PROPERTY TAXES.....	21
IX.	RECEIVER CERTIFICATES	21
X.	SECURED OR PRIORITY CLAIMS	22
XI.	STATUTORY NOTICES AND REPORTS.....	24
XII.	RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS.....	24
XIII.	PROFESSIONAL FEES	25
XIV.	CONCLUSION	25

Appendices

Appointment Order	A
249 Corporation Profile Report.....	B
Information on Leases	C
Offers to Lease Relating to Unit 104.....	D
Notice of Contravention of Zoning By-law	E
Fogler Rubinoff Letter to Green Monkey	F
Title Search	G
PPSA Search.....	H
Garfinkle Biderman Letter.....	I
Notice and Statement of Receiver	J
Interim Statement of Receipts and Disbursements.....	K

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") dated July 26, 2018 (the "**Appointment Order**"), RSM Canada Limited ("**RSM**") was appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and properties (the "**Property**") of 2492167 Ontario Ltd. ("**249**" or the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof and including without limitation, the real property municipally known as 5818 Sheppard Avenue East, Toronto, Ontario (collectively the "**Lands**"). A copy of the Appointment Order is attached to this report as Appendix "**A**".
2. The Appointment Order authorizes the Receiver to, among other things:
 - i) take possession of and exercise control over the Property (for clarity, including the Lands) and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - ii) manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - iii) receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor; and

-
- iv) market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
3. Paragraph 21 of the Appointment Order authorizes the Receiver to borrow monies to fund the exercise of the powers and duties conferred upon the Receiver by the Appointment Order from time to time, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as the Court may by further order authorize), which advance(s) are secured by way of a fixed and specific charge over the Property (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person, but subordinate in priority to the Receiver’s Charge (as defined therein) and the charges as set out in sections 14.06(7), 81.4(4) and 81.6(2) of the *Bankruptcy and Insolvency Act*.
4. The Appointment Order referred to in this report, together with related Court documents, has been posted on the Receiver’s website, which can be found at rsmcanada.com/2492167-Ontario-Ltd.

Purpose of First Report

5. The purpose of this first report of the Receiver (the “**First Report**”) is to:
- (a) report to the Court on the activities of the Receiver since the date of the Appointment Order to September 10, 2018;

-
- (b) report to the Court on the condition and status, and the Receiver's activities in connection with the Lands including interactions with tenants;
 - (c) seek an Order, *nunc pro tunc*, amending Paragraph 21 to the Appointment Order to increase the maximum borrowings set out in that paragraph from \$250,000 to \$600,000; and
 - (d) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period July 26, 2018 to September 10, 2018.

Terms of Reference

- 6. In preparing this First 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 First 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 CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
- 7. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

II. BACKGROUND

8. 249 is an Ontario corporation incorporated on November 19, 2015 and appears to be a single purpose corporation holding legal and beneficial title to certain lands and a free standing gas bar, convenience store and commercial building located on the Lands.
9. According to a corporate search dated June 19, 2018, Karunadevi Nadarajal is the sole director, President, Secretary and Treasurer of 249. The registered office and mailing address for 249 is 16 Moffatt Court, Etobicoke, Ontario. A copy of the corporate search for 249 is attached to this report as Appendix “B”.
10. The commercial building situated on the Lands is comprised of approximately 9,100 square feet, divided into 13 rental units, with 11 units on the first and second floor and 2 basement units. The largest unit is occupied by the convenience store, which together with the gas bar were managed by the Debtor. The gas station operated under the “Parkland/Ultramar” brand, while the convenience store (the “**Store**”) operated under the “Express Mart” brand.
11. Prior to the date of the Appointment Order, the gas bar and the Store had ceased operations.
12. The Applicant, Cameron Stephens Financial Corporation (the “**Applicant**”) is the registered holder of a first mortgage on the Lands.
13. Due to the Debtor being in default of its obligations under the Mortgage, by Notice of Application dated July 6, 2018 (“**Application**”), the Applicant sought the appointment of the Receiver.

-
14. On July 26, 2018, the Court issued the Appointment Order, and RSM was thereby appointed as Receiver of 249.
 15. Foglers is counsel to the Receiver.
 16. On July 30, 2018, the Receiver requested from the Debtor financial records for 249 including current and annual financial statements. To date, no financial statements have been provided to the Receiver. Accordingly, the Receiver is administering the receivership on the assumption that the only assets of 249 are the Lands and amounts that may be owing to 249 by its tenants.

III. RECEIVER'S ACTIVITIES TO DATE

Possession and Security

17. On July 26, 2018, following the issuance of the Appointment Order, the Receiver attended at the Lands.
18. The Receiver arranged for a locksmith to attend at the Lands who changed the locks to the Store, as well as the lock to the main entrance door to the commercial building.
19. The Receiver identified several security surveillance cameras throughout the Lands, including in the gas station and the Store. The Receiver reactivated the security cameras that were in place for the Store, and restored the recording function of those security cameras.
20. Signage from "AlarmForce" was found on the main entrance to the office complex. The Receiver contacted AlarmForce, who informed the Receiver that the security system at the Lands had been deactivated in 2006 and had remained inactive since that time. The Receiver was also advised that the

equipment on site, if still present, would likely not be compatible with current monitoring systems and would therefore need replacement if the Receiver wanted to reactivate the system. As a result, the Receiver arranged for the installation of security cameras at the outside, and on the first floor, of the Lands.

21. Since its appointment on July 26, 2018, and for reasons set out later herein, the Receiver arranged for a security guard to patrol and monitor the Lands during all hours that the Receiver or its representatives were not in attendance at the Lands. Although the gas station and the Store resumed a 24-hour operating schedule on August 23, 2018, the Receiver has retained the security guard to be present on weekdays between the hours of 6:00 pm and 8:00 am, and on a 24-hour basis on weekends and holidays. When addressing certain issues, the Receiver retained the security guard to be present on a 24/7 basis.
22. As the Receiver has continued the operations of the gas station and the Store, the Receiver has not effected a redirection of mail from that location to the Receiver's office. With reference to mail that may be delivered to the Company's head office, the Receiver has not arranged for a redirection of 249's mail from that address as that address appears to be Ms. Nadarajal's home address and, therefore, a redirection was not effected.

Gas station and the Store

23. On July 26, 2018, the Receiver attended at the gas station and the Store, and:
 - i) took an inventory of all products in the Store;

-
- ii) met representatives of Parkland Corporation's (operating as "Ultramar") management team who reactivated the point-of-sale ("**POS**") system and provided the Receiver with access to same. The POS system is used to track inventory of fuel, and process sales for the gas station and the Store, among other things; and
 - iii) arranged for National Energy Equipment Inc. (called "NEE") to complete a safety inspection of the gas station. One issue was identified by NEE in respect of the safety shut-off system, and the system was repaired by NEE that day.

Banking

- 24. The Receiver contacted 249's bank, TD Canada Trust ("**TD**"), to advise it of the receivership and to request that 249's bank account be frozen. TD confirmed to the Receiver that 249's bank account was frozen and the account is overdrawn by approximately \$12,000.

Insurance

- 25. On July 26, 2018, the Receiver contacted 249's insurance broker to (i) notify it of the receivership, (ii) enquire if 249's insurance coverage was still in effect and (iii) confirm that 249's insurer would continue coverage during the receivership. The insurance broker has confirmed to the Receiver that 249's insurance policy is still in effect and that the insurers will continue to offer coverage under 249's existing policy to the Receiver. The policy expires December 7, 2018.

-
26. The Receiver arranged for payment of the final premium installment due under the policy.

Books and Records

27. Upon taking possession of the Store, the Receiver found no books and records of 249 other than an unsigned lease for Unit 104 of the Lands, unfilled invoices from suppliers, and an HST notice of assessment from 2015.
28. On July 30, 2018, the Receiver sent an email to Ms. Nadarajal to request information on 249's creditors, copies of tenant leases, payroll records as well as other books and records of the Debtor. Ms. Nadarajal responded with limited information on 249's creditors via email but did not provide the other information requested. Ms. Nadarajal also informed the Receiver that she was currently out of the country and would be returning on August 15, 2018.
29. Ms. Nadarajal advised that she did not have copies of tenant leases as all the leases were kept at the Store. However, no tenant leases were located by the Receiver at the Store other than the one draft lease for Unit 104.
30. The Receiver subsequently received from the Debtor certain payroll information relating to 249's employees but has otherwise not received any financial information that will assist the Receiver market the Lands for sale.
31. With reference to the Debtor, the Receiver was asked to provide information to counsel for the Applicant pursuant to a request of the Debtor to be advised of the amount required to pay out the balance on the Applicant's mortgage. The Receiver provided the information requested. The Receiver notes that the Debtor has not paid out the mortgage.

IV. TENANTS OF THE LANDS

Identification of Tenants

32. The Applicant and its counsel provided to the Receiver documentation relating to the tenancies at the Lands (collectively the “**Rent Documents**”). The Rent Documents included copies of:
- i) a rent roll as at July, 2016;
 - ii) a “Statutory Declaration of Borrower” signed by Ms. Nadarajal on July 19, 2016;
 - iii) a summary of leases, dated July 15, 2016;
 - iv) signed Estoppel Certificates; and
 - v) executed leases for each unit.
33. At its attendance at the Lands on July 26, 2018, the Receiver noted that many of the units were in fact vacant or occupied by tenants different from those noted on the Rent Documents.
34. On that day, the Receiver hand-delivered a notice of receivership to the tenants who were on site. The Receiver provided all remaining tenants with the notice on July 31, 2018. The notice provided the tenants with contact information for the Receiver, and provided instructions for the tenants to direct their rent payments to the Receiver.
35. As of July 30, 2018, the Receiver had identified tenants/occupants of 10 units of the commercial building. The Receiver wished to ensure that only authorized parties had keys to the building and the individual units. Since the Receiver had not identified tenants for three units of the building, on July 31,

2018, the Receiver posted a notice on all units, both occupied and those that appeared to be vacant, to notify the tenants/occupants of those premises that the locks would be changed some time after Wednesday, August 1, 2018.

36. The locks to all the units at the Lands, with the exception of Unit 104, were changed on August 7, 2018. Keys were provided to identified tenants at that time.

37. As a result of the changing of the locks, and its review of units for which tenants/occupants had not previously been identified, the Receiver determined that three units were vacant and unoccupied.

Security Cameras

38. Several cameras were identified on site that did not appear to be part of the system installed and used by 249. The Receiver requested that tenants advise the Receiver of their ownership of these cameras, if any, by no later than August 24, 2018, after which time they would be removed from the property.

39. The tenant of Unit 201/203 advised the Receiver that that tenant had installed the security cameras. After reviewing this issue with Foglers, the Receiver informed the tenant on September 5, 2018 that the security cameras had to be removed by the tenant. The tenant informed the Receiver that the cameras had been installed with the authorization of the landlord.

40. On September 7, 2018, the Receiver wrote to the tenant that "on the advice of our legal counsel, we have confirmed that tenants are not authorized to install equipment and fixtures in common areas of the property without specific prior written consent of the landlord. You have failed to deliver any evidence

of the landlord's prior written consent to install fixtures, including cameras, in common areas of the property. Accordingly, the surveillance cameras must be removed from the common areas of the property. If the equipment is not removed by noon on Wednesday, September 12th, we, in our capacity as Court Appointed Receiver, will remove any unauthorized cameras installed in common areas that remain on site. The costs of such removal will be rent under your lease, and will be treated as a rent obligation and payable immediately, without further notice to you."

Rent Roll

41. On or about August 1, 2018, the Receiver received August rent cheques from three tenants. The Receiver noted that the amounts of rent paid by these tenants were lower than the monthly rent amounts set out in the Rent Documents.
42. The Receiver discussed the discrepancies in rent paid with the three tenants. Each of the tenants advised the Receiver that the amounts set out in the Rent Documents were not correct. The Receiver presented copies of the Estoppel Certificates and the leases of the tenants contained in the Rent Documents to two of the tenants. Those two tenants advised the Receiver that the signature(s) of the tenants on the respective leases were not those of the tenants nor of any of their authorized representatives.
43. The Receiver has since received rent payments from other tenants. In each case, the amount paid was below the amounts included in the Rent Documents.

-
44. As set out above, the Receiver only has minimal records of the Debtor in its possession. The Receiver does not have the Debtor's records in respect of any signed leases or files relating to occupancies (other than with respect to unit 104 discussed below). Accordingly, on August 16, 2018, the Receiver delivered a letter to each of the tenants, with the exception of unit 104, to request that they provide a copy of their lease and proof of payment of rent for the months of May to July 2018.
45. Tenants provided to the Receiver documentation in connection with their tenancies/occupation of units at the Lands. The documents provided consisted primarily of Offers to Lease that comprised two pages. No fully documented commercial leases appear to have been executed.
46. Attached as **Appendix "C"** is a schedule summarizing the information set out in the lease documentation provided by tenants, compared to the information contained in the Rent Documents referred to earlier in the First Report.
47. As set out in the Appendix "C", the information provided by the tenants is materially different from the information contained in the Rent Documents.
48. Proposals from commercial leasing agents are currently being sought. The Receiver will, if a leasing agent is retained, seek the agent's comments as to whether the rents provided for in the leases provided by the tenants represented market rates at the time the leases were entered into. After consideration of that information, the Receiver intends to review the status of the existing leases with Foglers and the Applicant.

Physical Assault of a Tenant

49. On September 5, 2018, one of the tenants of the Lands was assaulted physically as he arrived at the property. A police report relating to the incident has been filed and, at the tenant's request, the Receiver changed the locks to the tenant's unit.

V. UNIT 104

50. At the time of the Receiver's appointment, Unit 104 was occupied by 2629972 Ontario Corp., which carried on operations as "The Green Monkey" ("**262**" or the "**Green Monkey**"). The Rent Documents provided to the Receiver showed no record of 262 as a tenant of this unit.
51. On July 26, 2018, while taking possession of the convenience store, the Receiver located an unsigned draft Offer to Lease for Unit 104 dated April 24, 2018 ("**Offer to Lease #1**").
52. On July 26, 2018, the Receiver spoke with Mr. Kanjanthan Kanagarajah, who identified himself as the owner of 262. The Receiver advised Mr. Kanagarajah that no record of 262's tenancy could be located, and asked Mr. Kanagarajah to provide a copy of 262's lease, duly signed and executed by 262 and 249, as well as proof the rents had been paid since the inception of the purported tenancy.
53. Mr. Kanagarajah advised the Receiver on July 26, 2018 that the rent for the unit was paid in cash and as a result, 262 was not able to provide any documentation to support its position that rent had been paid.

54. On July 27, 2018, Mr. Kanagarajah provided the Receiver with a copy of an Offer to Lease that he indicated was the lease for Unit 104 ("**Offer to Lease #2**"). This document, dated May 24, 2018, had significantly different terms from the terms contained in Offer to Lease #1. Furthermore, the bottom of the first page of the copy of Offer to Lease #2 was cut-off. The Receiver requested that Mr. Kanagarajah provide to the Receiver a complete and original version of Lease #2. This document was not provided to the Receiver.
55. Subsequently, the former manager of the convenience store stopped by the convenience store randomly and provided a version of an Offer to Lease ("**Offer to Lease #3**"). Offer to Lease #3, which was substantially the same as Offer to Lease #1, appeared to be initialed by the landlord and tenant, but was not otherwise signed.
56. The following is a summary of the salient terms each of the three Offers to Lease:

Terms	Offer to Lease #1	Offer to Lease #2	Offer to Lease #3
Date of Agreement	24-Apr-18	24-May-18	24-Apr-18
Start Date	1-May-18	15-May-18	1-May-18
End Date	31-May-18	31-Apr-21	31-May-20
Term of Lease	2 years	3 years	2 years
Use of the Premises	Retail	"E-liquid and accesseries (sp) also included is the bathroom on the 1 st floor for unit #104"	Retail
Annual Rent	\$33,900.00	\$16,272.00	\$33,900.00
Monthly Rent	\$2,825.00	\$1,356.00	\$2,825.00
Deposit	\$6,650.00	\$3,712.00	\$6,650.00
Irrevocability	1-May-18	25-May-18	1-May-18
Initialed by Landlord	No	Unknown	Yes
Initialed by Tenant	No	Unknown	Yes

Terms	Offer to Lease #1	Offer to Lease #2	Offer to Lease #3
Acknowledged by Landlord	No	Yes	No
Acknowledged by Tenant	No	Yes	No

57. As set out above, main differences between the Offers to Lease were their terms, the rent payable and the use of the premises. Attached hereto as **Appendix "D"** are copies of Offer to Lease #1, Offer to Lease #2 and Offer to Lease #3.
58. During the Receiver's attendances at the Lands, the Receiver observed odors at the Lands that were consistent with the smell of marijuana. Therefore, it appeared to the Receiver that the Green Monkey was selling products besides E-liquids and accessories. In addition, tenants told the Receiver on a number of occasions that the operations of the Green Monkey were having a negative effect on their tenancies. To that end, one tenant informed the Receiver that unless the Receiver would confirm to the tenant that Green Monkey would no longer be at the premises as of August 31, that tenant would have to end its tenancy and vacate the premises. That tenant has now vacated the premises.
59. Furthermore, in discussing the potential engagement of Colliers Inc. to be the Receiver's leasing agent, Colliers informed the Receiver that prior to being in a position to commence an engagement as leasing agent, among other requirements, the Green Monkey could not be a tenant of the Lands.
60. On August 9, 2018, the Receiver attended at the Green Monkey's premises with a view to reviewing the state of repair of the premises. Prior to being allowed to enter the premises, a representative of the Green Monkey

requested that the Receiver wait outside. After approximately 8-10 minutes, the Receiver was permitted to enter the unit.

61. During the Receiver's attendance at the unit, the Receiver noted that while the signage for the Green Monkey indicated that the store is intended to sell "E-cigs", "Vapes", and "Bongs", little to no inventory of this nature could be identified on site. There were a small amount of vape oils on display in the main room, but the store manager advised that they had no vaporizers or bongs for sale at that time.
62. The Receiver noted that there were strong marijuana smells coming from the premises and that there was a white board product menu that listed "Hashish or Hash" product for sale.
63. Based on this visit, the comments from Colliers and the complaints of tenants as described above, the Receiver came to the conclusion that the occupancy of the Green Monkey was having a negative effect on the value and potential value of the Lands.
64. On August 23, 2018, Ms. Nadarajal provided to the Receiver a Notice of Contravention of Zoning By-law issued to Ms. Nadarajal, by the City of Toronto ("**Notice**") citing offences under section 67 of the Planning Act. Specifically, the notice indicated the City of Toronto's Municipal Licensing & Standards Division had completed an inspection of the Green Monkey, and determined that the property was being used for marijuana distribution. The City demanded that the illegal use of the property be ceased within three days of the notice. A copy of the City's notice is attached hereto as **Appendix "E"**.

-
65. On August 24, 2018, Foglers wrote a letter to the Green Monkey that, *inter alia*, required the Green Monkey to cease all of its current commercial operations on site immediately and to vacate Unit 104 by noon on August 31, 2018. A copy of Foglers letter is attached as Appendix "F".
66. Subsequent to receipt of Foglers letter, counsel to the Green Monkey contacted Foglers. Subsequent discussions and negotiations ensued between counsel and it appeared based on those discussions that the Green Monkey would be vacating Unit 104 on September 5, 2018.
67. As of 2:00 pm on September 5, 2018, the Green Monkey had not vacated the premises. As a result, the Receiver attended at Unit 104 after 2:00 pm on September 5, 2018 and proceeded to change the locks to that unit. The Receiver requested that the three individuals who were in the unit vacate the premises. The individuals asked to remove their personal belongings but, when they would not agree to provide personal identification as requested by the Receiver prior to being allowed to remove any items, the Receiver did not permit the removal.
68. Upon taking possession of Unit 104, an amount of narcotics inventory was discovered. Metropolitan Toronto Police (the "**Police**") attended on September 6, 2018 to pick up that inventory. The Police also informed the Receiver that the Police would like to be informed once any arrangements are made with the Green Monkey to remove their belongings from the Unit.
69. On September 6, 2018, Foglers informed counsel to Green Monkey that the remainder of Green Monkey's assets (furniture and equipment, cameras, etc.)

must be removed from the unit by 4:00 pm, September 10th, failing which the Receiver will permanently dispose of anything remaining on site after that time.

70. The Receiver has maintained 24/7 security guard presence at the Lands subsequent to the changing of the locks of Unit 104 until the Green Monkey vacates in its entirety.

VI. CONDITION OF THE LANDS

71. Upon its attendance at the Lands on July 26, 2018, the Receiver identified a number of issues relating to the condition of the property. The Receiver consulted with a general contractor to obtain additional information with respect to those issues. The issues include:

- i) the heating, ventilation and air conditioning (“HVAC”) system is deficient in that the furnaces installed on site are intended for residential use and do not provide adequate heating to the building. In addition, there is no air conditioning and the present system does not provide for proper ventilation, which could pose a potential health and safety concern. In order to ascertain the state of the existing HVAC system and current HVAC needs, engineering drawings are required to first be prepared;
- ii) the roof of the building is in a state of disrepair such that repairs to the existing roof would be ineffective and inadequate due to the overall poor condition of the roof. Accordingly, the roof requires replacement;
- iii) there are clear signs of water damage and mould throughout the building that appear to be primarily the result of leaks from the roof and faulty HVAC

components. Drywall needs to be removed in order to address and remove the mould; and

iv) the exterior bay window of unit 200 is damaged such that the siding is missing from the north side and underneath the bay window, and only plywood appears to protecting the unit from the elements.

72. The Receiver obtained quotes to address the issues identified in number i) to iii) above. Based on the quotes received, the cost to effect the roof and mould repairs, and obtain the engineering report for the HVAC system, will approximate \$75,000 to \$80,000. The Receiver has not yet sought a quote to address item iv) above since the contractor engaged by the Receiver has verbally advised the Receiver that this item is an aesthetic issue rather than a structural or safety one.

73. Repairs to the Lands as referenced in Paragraph 71 i) to iii) have commenced.

VII. OPERATIONS OF THE GAS STATION AND CONVENIENCE STORE

74. Upon the Receiver's appointment, as set out earlier herein, 249 had discontinued the operations of the gas station and the Store. Signs denoting "closed for reno" were posted in the Store windows/door on the date the Appointment Order was issued.

75. In order to assess whether the Receiver would be in a position to recommence operations, on July 26, 2018, the Receiver contacted Parkland/Ultramar with a view to understanding the terms by which Parkland/Ultramar would permit the operations of the gas station to continue. The Receiver also noted that the

agreements in place between 249 and Parkland/Ultramar provide Parkland/Ultramar with a right of first refusal on the sale of the property.

76. The Receiver met with representatives of Parkland/Ultramar, and Foglers engaged in discussions with counsel to Parkland/Ultramar. As a result of those discussions, and with the assistance of Parkland/Ultramar, the gas station and convenience store recommenced operations on August 23, 2018.
77. In order to minimize the Receiver's involvement in, and costs of, addressing the day-to-day issues at the Lands, the Receiver entered into a management agreement with Nazlin Jinna ("**Jinna**") for Jinna to provide property management services at the Lands. Jinna's responsibilities include:
- i) overseeing the daily operations of the gas station and convenience store (collectively the "**Station**");
 - ii) hiring and training all employees required to operate the Station;
 - iii) managing the fuel and convenience store inventory;
 - iv) approving all vendor invoices applicable to the Station for payment by the Receiver;
 - v) reporting to the Receiver regarding the sales and expenses of the Station on a daily basis;
 - vi) collecting rent from the tenants of the property and maintaining the cleanliness of the property; and
 - vii) liaising with the tenants and the Receiver regarding any issues that may arise with respect to the tenancies.

-
78. In order to be in a position to sell tobacco and lottery products at the Store, the Receiver was required to apply for a Tobacco Retail Dealer's Permit ("**TRDP**"), a license from the Ontario Lottery and Gaming Corporation ("**OLG**") and certification ("**Certification**") from the Alcohol and Gaming Commission of Ontario ("**AGCO**"). The Receiver applied for the TRDP and the Certification.
79. The Ontario Ministry of Finance granted the TRDP to the Receiver on August 8, 2018. The Receiver continues to follow up with OLG and the AGCO to obtain the necessary permits and approvals to sell lottery and gaming products.

VIII. PROPERTY TAXES

80. The Receiver obtained property tax and utility certificates for the property from the City of Toronto. According to these certificates, dated August 2, 2018 and August 1, 2018 respectively, 249 owed \$53,148.79 in property tax and utility arrears. An additional instalment of \$10,365.00 for property taxes was payable on September 4, 2018.
81. On August 31, 2018, the Receiver paid \$63,817.79 to the City of Toronto representing the aforementioned arrears and the instalment due on September 4, 2018.

IX. RECEIVER CERTIFICATES

82. Pursuant to the Paragraph 21 of the Appointment Order, the Receiver is authorized to borrow a maximum amount of \$250,000.

-
83. As set out later in the First Report, the Receiver has to date paid disbursements totaling approximately \$185,000. In addition, based on the repairs that are required to the Lands, and the ongoing professional fees of the Receiver and its counsel, the Receiver has determined that the borrowing limit of \$250,000 is not sufficient for the Receiver to carry out its mandate.
84. Accordingly, the Receiver is respectfully requesting that the borrowing limit in Paragraph 21 of the Appointment Order be increased, *nunc pro tunc* to \$600,000. While the Receiver is uncertain of the amount of funds it will need to borrow, the Receiver is of the view that a limit of \$600,000 will avoid the need for further court applications requesting an increase to the borrowing limit.

X. SECURED OR PRIORITY CLAIMS

85. Attached hereto as **Appendix “G”** is a copy of a search of the Parcel Register for Property Identifier reports from the Ontario Land Registry Office dated August 24, 2018 for the Lands (“**Title Search**”).
86. Attached hereto as **Appendix “H”** is a copy of a search conducted against the Respondent under the Personal Property Security Registration System dated July 3, 2018 (“**PPSA Search**”).
87. The claims registered against 249 in the PPSA Search and in the Title Search, which claims have not been audited or verified by the Receiver, are as follows:

Name of Registrant	Amount	PPSA	PIN
Cameron Stephens Financial Corporation	\$6,240,000	√	√
The Toronto-Dominion Bank	\$Unknown	√	
Vida Parsi	\$400,000		√

88. The Receiver has requested Foglers' opinion on the validity and enforceability of the security held by the Applicant and will provide the results of that opinion in the Receiver's next report to the Court.
89. On August 16, 2018, Garfinkle Biderman, counsel to the Applicant, requested that the Receiver consent to the lifting of the stay of proceedings provided for in the Appointment Order in order that the Applicant could continue its action against 249 to obtain possession of the Lands, and to note 249 in default and file for default judgement for possession. Attached hereto as **Appendix "I"** is a copy of Garfinkle Biderman's letter setting out its request. On August 20, 2018, the Receiver provided its consent to the requested lifting of the stay of proceedings in respect of the matters set out in Garfinkle Biderman's letter.

Deemed Trust Claims of Canada Revenue Agency ("CRA")

90. CRA currently has deemed trust claims against 249 for payroll remittances and HST. A representative of CRA has advised the Receiver that 249 has remitted payroll source deductions only up to the period ending April 30, 2018. No remittances were submitted for the months of May, June or July 2018.
91. In addition, CRA has advised that 249 currently owes approximately \$7,400 for HST. 249 files its HST returns on an annual basis and its last return filed

was for the year ending December 31, 2017. It is unknown whether 249 is in a HST refund or payable position for the period January 1 to July 25, 2018.

92. CRA has informed the Receiver that CRA will be contacting a representative of the Debtor to request access to 249's books and records in order to conduct a trust examination.
93. The Receiver will provide an update as to the status of 249's potential source deductions and HST liabilities in its next report to the Court.

XI. STATUTORY NOTICES AND REPORTS

94. Attached to this report as **Appendix "J"** is the Notice and Statement of Receiver prepared pursuant to Sections 245(1) and 246(1) of the Bankruptcy and Insolvency Act.

XII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

95. Attached to this report as **Appendix "K"** is the Receiver's Interim Statement of Receipts and Disbursements for the period July 26, 2018 to September 10, 2018 (the "**R&D**"). During this period, receipts were \$259,159 while disbursements were \$185,639, resulting in a net cash surplus of \$73,520.
96. On or about August 2, 2018, amounts of \$11,535, and \$63,465, were advanced to the Receiver by Cameron Stephens and Home Trust, respectively.
97. On August 29, 2018, Cameron Stephens advanced a further \$299,954 to the Receiver. As the maximum borrowing limit provided in Paragraph 21 of the Appointment Order is \$250,000, as set out earlier herein, the Receiver is

requesting that the borrowing limit in Paragraph 21 of the Appointment Order be increased, *nunc pro tunc* to \$600,000.

98. The Receiver will issue Receiver's Certificates in respect of these advances after the hearing of the Receiver's application as the form of Receiver's Certificate will have to be amended to reflect any increased borrowing limit provided for in Paragraph 21.

XIII. PROFESSIONAL FEES

99. The Receiver's accounts total \$88,914.50 in fees and disbursements plus HST of \$11,558.89 for a total amount of \$100,473.39 for the period ending August 31, 2018 (the "**Receiver's Accounts**").
100. The accounts of the Receiver's counsel, Foglers, total \$46,380.47 in fees and disbursements and \$6,029.46 in HST for a total of \$52,409.93 (the "**Foglers Accounts**") for the period ending August 27, 2018.
101. The Receiver will seek approval of the Receiver's accounts and the Foglers accounts in its next application to the Court.

XIV. CONCLUSION

102. The Receiver respectfully requests that the Court grant an Order which provides for the following:
- (a) approving the First Report and the conduct and activities of the Receiver as set out therein;
 - (b) approving the R&D; and

-
- (c) amending, *nunc pro tunc*, Paragraph 21 to the Appointment Order to increase the maximum borrowings set out in that paragraph from \$250,000 to \$600,000.

All of which is respectfully submitted to this Court as of this 12th day of September, 2018.

RSM CANADA LIMITED

In its capacity as Court Appointed Receiver
and Manager of 2492167 Ontario Ltd. and
not in its personal capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX C

Court File No. CV-18-601116-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



THE HONOURABLE
MR. JUSTICE PENNY

) WEDNESDAY, THE 19TH
)
) DAY OF SEPTEMBER, 2018.

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and -

2492167 ONTARIO LTD.

Respondent

ORDER
(First Report Order)

THIS MOTION is made by the Receiver for an Order approving the activities of the Receiver disclosed in the First Report of the Receiver dated the 12th Day of September, 2018 (The "First Report"), increasing the borrowing powers of the Receiver and approving the Receiver's Interim Statement of Receipts and Disbursements as set out in the First Report.

ON HEARING submissions of counsel for the Receiver, and on review of the First Report and the affidavit of service of Catherine Garbig dated the 13th Day of September, 2018, filed,

SERVICE AND NOTICE

1. THIS COURT ORDERS that this motion is properly returnable today, and hereby dispenses with any requirement for service of the Motion Record.

ACTIVITIES OF THE RECEIVER

2. THIS COURT ORDERS AND DECLARES that the activities of the Receiver as set out and described in the First Report be and are hereby approved.
3. THIS COURT ORDERS AND DECLARES that the Receiver's Interim Statement of Receipts and Disbursements as set out and described in the First Report be and is hereby approved.

INCREASE IN BORROWING BY RECEIVER

4. THIS COURT ORDERS AND DECLARES that the borrowing powers of the Receiver under paragraph 21 of the Appointment Order made on the 26th Day of July, 2018 (the "Appointment Order") be and are hereby increased, nunc pro tunc, from \$250,000 to \$600,000, and Receiver Certificates issued by the Receiver under the Appointment Order shall incorporate this increased amount therein as may be required from time to time.



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

SEP 19 2018

PER / PAR:



CAMERON STEPHENS FINANCIAL
CORPORATION
Applicant

and 2492167 ONTARIO LTD.
Respondent

Court File No. CV-18-601116-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

FOGLER, RUBINOFF LLP

Lawyers
77 King Street West
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8

Maurice V. Fleming (LSO# 200450)

mffleming@foglers.com
Tel: 416.941.8812
Fax: 416.941.8852

Lawyers for the Receiver,
RSM Canada Limited

CAMERON STEPHENS FINANCIAL
CORPORATION
Applicant

2492167 ONTARIO LTD.
and
Respondent

Court File No. CV-18-601116-00CL

Sept 19/18

Sept 19, 2018

M. Fleming

R. Kwon

*→ am satisfied with the
Receiver's first report. There
are legit. water recovery by
the expenses are higher than
initially anticipated.
Order to issue in the
form signed by me this
day.*

ONTARIO

SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

MOTION RECORD

FOGLER, RUBINOFF LLP

Lawyers

77 King Street West

Suite 3000, P.O. Box 95

TD Centre North Tower

Toronto, ON M5K 1G8

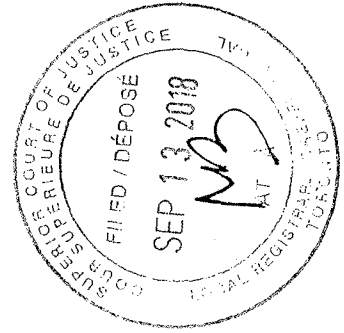
Maurice V. Fleming (LSO# 200450)

mifleming@foglers.com

Tel: 416.941.8812

Fax: 416.941.8852

Lawyers for the Receiver,
RSM Canada Limited



APPENDIX D

From: Fleming, Maurice V.
Sent: Wednesday, September 12, 2018 11:22 AM
To: 'Qasim Ali' <qasim@nihanglaw.ca>
Subject: RE: Green Monkey

Just spoke to the Receiver about this, Qasim. The police have the drugs now, so they will not be there. The gun case can be picked up, empty. Another group of police officers want the video on your client's video system of the robbery and assault of another of the tenants, and this should be arranged as quickly as possible to avoid complications on turning over the camera system. Hopefully, your clients will agree to help them out, as the alternatives might present more complications.

The Receiver wants to do a 'walk-through' with your clients on Thursday to decide what goes, what stays, and how to remove assets without damaging the premises. Please have your client call Jeff Berger to arrange that. If that meeting goes well, it might be possible to make arrangements for a Friday removal.
Happy to chat if you need to.

From: Qasim Ali [<mailto:qasim@nihanglaw.ca>]
Sent: Tuesday, September 11, 2018 2:48 PM
To: Fleming, Maurice V. <mflaming@foglers.com>
Subject: Re: Green Monkey

Hi Maurice,

When can they access the premises to take out their fixtures and chattels?

Sincerely,

Qasim Ali

Qasim Ali BSc, JD/JD
Barrister and Solicitor
Nihang Law
3300 McNicoll Ave., Suite 302
Toronto, Ontario M1V 5J6
T: (416) 321-0353
F: (905) 248-1101
E: qasim@nihanglaw.ca
W: www.nihanglaw.ca

On Thu, Sep 6, 2018 at 4:59 PM, Fleming, Maurice V. <mfleming@foglers.com> wrote:

Qasim, Unit #14 is now vacated, after several events yesterday on the property. Unfortunately, there was a robbery and assault of one of the doctors in front of his clinic in another unit, and that incident was observed by his patients. A security camera of your clients was aimed at the robbery site. The camera is in the Unit 104 now.

The Receiver has full security on site, and the will be there around the clock over the weekend. We will need to book an appointment for your clients to meet with the Receiver to remove their property, including the security camera. he Receiver will require removal of the remainder of your client's property from Unit #104 by Monday September 10, 2018, 4pm. Leasehold fixtures are not to be removed. There will be no permitted removal after that time, and the Receiver will permanently dispose of anything remaining on site after that time. The Police have requested that they also be in attendance to discuss what has been recorded on that camera system, primarily relating to the robbery and assault. We are now passing that information, and request on to you, so that you can pass it on to your clients.

Thanks so much.



Maurice V. Fleming

Partner
Fogler, Rubinoff LLP
Lawyers
[77 King Street West](#)
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
Direct: 416.941.8812
Main: 416.864.9700
Toll Free: 1.866.861.9700
Fax: 416.941.8852
Email: mfleming@foglers.com
foglers.com

From: Qasim Ali [mailto:qasim@nihanglaw.ca]
Sent: Tuesday, September 4, 2018 5:28 PM
To: Fleming, Maurice V. <mfleming@foglers.com>
Subject: RE: Green Monkey

[Without Prejudice]

Hi Maurice,

I have informed the client of your communication and requested them to respond to me about vacating the unit by 2pm tomorrow, Wednesday. I have been unable to get any response from them, only that they will let me know shortly. I have also informed them of the seriousness of the situation to which they said they will let me know. I am unable to get any positive or negative response for you regarding the 2pm vacating for tomorrow.

Sincerely,

Qasim Ali BSc, JD/JD
Barrister and Solicitor
Nihang Law
[3300 McNicoll Ave., Suite 302](#)
Toronto, Ontario M1V 5J6
T: (416) 321-0353
F: (905) 248-1101
E: qasim@nihanglaw.ca
W: www.nihanglaw.ca

- 5 -

From: Fleming, Maurice V. <mffleming@foglers.com>
Sent: Tuesday, September 04, 2018 2:20 PM
To: 'Qasim Ali' <qasim@nihanglaw.ca>
Subject: RE: Green Monkey

Qasim, for clarity, the “I” in the third bullet is a direct quote from the Receiver.

From: Fleming, Maurice V.
Sent: Tuesday, September 04, 2018 2:17 PM
To: 'Qasim Ali' <qasim@nihanglaw.ca>
Subject: RE: Green Monkey

Qasim, you were to confirm on Friday that your clients will vacate unit #104 before 2pm on Wednesday. In the meantime, the Receiver has reported the following observations to me, based upon attendances on the unit over the weekend and today:

- Customers are walking into the unit and walking out shortly after with no visible purchases (shopping bags, etc.);
- During the Receiver's inspection of the unit on August 9th, it was noted that there was little to no inventory relating to "vaping" or other paraphernalia. When asked about the absence of these items, the store manager advised the Receiver that they had not received any shipments of this inventory since the store opened in May/June;
- The unit is still locked, with a security guard working the door. I asked to enter the unit for the purpose of documenting the water damage that occurred on the weekend, and Receiver was denied entry; and
- *over the weekend*, there was a faucet leak/overflow above the Green Monkey premises that resulted in water likely going into the Green Monkey's unit. When the Receiver's store manager asked if she could go into the premises to see if there was damage, she was denied entry.
- The smell outside of the unit is of drugs, and is consistent with what has been experienced over the past month.

Please send a confirmation email, in accordance with our discussions, confirming they will hand over keys to the unit at 2pm Wednesday. Thanks so much.



Maurice V. Fleming
Partner
Fogler, Rubinoff LLP
Lawyers
[77 King Street West](#)
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
Direct: 416.941.8812
Main: 416.864.9700
Toll Free: 1.866.861.9700
Fax: 416.941.8852
Email: mfleming@foglers.com
foglers.com

From: Qasim Ali [<mailto:qasim@nihanglaw.ca>]
Sent: Friday, August 31, 2018 1:42 PM
To: Fleming, Maurice V. <mfleming@foglers.com>
Subject: RE: Green Monkey

Hi Mr. Fleming,

Client has been notified of your intent to change the locks and to continue with a motion. They are coming to see me at 3pm. I am hoping to get a date today for them to move out by early next week.

Sincerely,

Qasim Ali BSc, JD/JD
Barrister and Solicitor
Nihang Law
[3300 McNicoll Ave., Suite 302](#)
Toronto, Ontario M1V 5J6
T: (416) 321-0353
F: (905) 248-1101
E: qasim@nihanglaw.ca
W: www.nihanglaw.ca

- 8 -

From: Fleming, Maurice V. <mfleming@foglers.com>
Sent: Friday, August 31, 2018 12:19 PM
To: 'Qasim Ali' <qasim@nihanglaw.ca>
Subject: RE: Green Monkey

Qasim, could you provide an update, please? We have updated observations of what is happening on site this morning, and it is not encouraging.

From: Qasim Ali [<mailto:qasim@nihanglaw.ca>]
Sent: Thursday, August 30, 2018 4:26 PM
To: Fleming, Maurice V. <mfleming@foglers.com>
Subject: Re: Green Monkey

Hi Mr. Fleming,

I have conveyed your message to the client and they have stated that they will inform me shortly about the date for which they will be able to leave. I have informed them that the Receiver might waive the rents for July and August if they leave as of Tomorrow and the Receiver will allow supervised removal of chattels and fixtures and if they leave within the next few days, they will be able to be released from any future legal issues unless they are directly the cause of those actions. I have also informed the client that they will be unable to stay if they do not follow the law, to which I was assured that they will follow the law for their short stay.

They will provide me with a timeline today or tomorrow morning, as they were not aware of the severity of the situation.

Client has informed me that they are already looking for newer places as of yesterday.

Sincerely,

Qasim Ali

Qasim Ali BSc, JD/JD
Barrister and Solicitor
Nihang Law
3300 McNicoll Ave., Suite 302
Toronto, Ontario M1V 5J6
T: (416) 321-0353
F: (905) 248-1101
E: qasim@nihanglaw.ca
W: www.nihanglaw.ca

- 10 -

On Thu, Aug 30, 2018 at 3:53 PM, Fleming, Maurice V. <mfleming@foglers.com> wrote:

Any luck with getting further instructions from your clients on this, Qasim?

- 11 -

From: Qasim Ali [mailto:qasim@nihanglaw.ca]
Sent: Thursday, August 30, 2018 12:43 PM

To: Fleming, Maurice V. <mfleming@foglers.com>
Subject: RE: Green Monkey

Hi Mr. Fleming,

I am with the client right now and will call you shortly afterwards.

Sincerely,

Qasim Ali BSc, JD/JD
Barrister and Solicitor
Nihang Law
[3300 McNicoll Ave., Suite 302](#)
Toronto, Ontario M1V 5J6
T: (416) 321-0353
F: (905) 248-1101
E: qasim@nihanglaw.ca
W: www.nihanglaw.ca

- 12 -

From: Fleming, Maurice V. <mfleming@foglers.com>
Sent: Thursday, August 30, 2018 12:40 PM
To: 'Qasim Ali' <qasim@nihanglaw.ca>
Subject: RE: Green Monkey

Qasim, I am in the office today. I have a meeting at 3pm, and would like to chat with you before that, your schedule permitting.

From: Qasim Ali [<mailto:qasim@nihanglaw.ca>]
Sent: Wednesday, August 29, 2018 3:39 PM
To: Fleming, Maurice V. <mfleming@foglers.com>
Subject: RE: Green Monkey

Dear Mr. Fleming,

I am waiting for feedback from the client. I request until 4 pm tomorrow to follow up with you after establishing a timeline with the client.

Sincerely,

Qasim Ali BSc, JD/JD
Barrister and Solicitor
Nihang Law
[3300 McNicoll Ave., Suite 302](#)
Toronto, Ontario M1V 5J6
T: (416) 321-0353
F: (905) 248-1101
E: qasim@nihanglaw.ca
W: www.nihanglaw.ca

- 14 -

From: Fleming, Maurice V. <mfleming@foglers.com>
Sent: Wednesday, August 29, 2018 1:20 PM
To: 'info@nihanglaw.ca' <info@nihanglaw.ca>
Subject: FW: Green Monkey

Qasin, this is further to our conversation late yesterday. You indicated you have been retained to act on behalf of Green Monkey, in unit 104 at [5810 Sheppard Ave East, Toronto](#). You had indicated that you were willing to discuss timelines for vacant possession, pending instructions from your clients. We were to re-join our discussion this morning. I left you a vm message to that effect. Have you been able to do so, yet? If not, what is your expectation regarding timing for our discussion?



Maurice V. Fleming
Partner
Fogler, Rubinoff LLP
Lawyers
[77 King Street West](#)
Suite 3000, P.O. Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
Direct: 416.941.8812
Main: 416.864.9700
Toll Free: 1.866.861.9700
Fax: 416.941.8852
Email: mfleming@foglers.com
foglers.com

APPENDIX E

Nov. 01/18

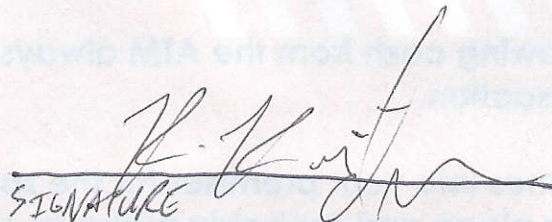
I KASANTHAN KANAGARAJAN GIVE Robert Di Pasquale

from Capital Funds ATM INC. promission to
(5810 SHEPPARD AVE EAST #104) (Z-2) 1/2-12

enter the unit at Sheppard 5810 AVE EAST.

To Remove the Hyosung ATM machine (which belongs

to Capital Funds ATM INC.) from unit #104.


SIGNATURE Nov. 01/18

KASANTHAN KANAGARAJAN

ATM PLACEMENT & PROCESSING AGREEMENT

THIS ATM PLACEMENT & PROCESSING AGREEMENT (the "Agreement") is made effective the day 23 of June, 2018 (the "Effective Date").

BETWEEN:

CAPITAL FUNDS ATM INC.

A corporation formed under the laws of the Province of Ontario
(hereinafter called the "Company")

OF THE FIRST PART;

- and -

(hereinafter called the "Client")

OF THE SECOND PART;

2629972 ONTARIO INC

RECITALS:

1. The Client operates a business known as *GREEN MONKEY* at the location(s) as set out in Schedule "A" (the "Premises");
2. The Client has requested that the Company install an automated teller machine (the "ATM") at the Premises;
3. The Company has agreed to install an ATM at the Premises on the terms and conditions set out in this Agreement.

IN CONSIDERATION of the mutual covenant and agreements set out in this Agreement, and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by the parties) the parties agree as follows:

1. INSTALLATION OF THE ATM

- (a) The Company will at its sole cost and expense, at mutually agreeable time or times, install at the Premises the ATM and any other equipment as more particularly described in Schedule "B" (the "Equipment"). The Company may, in its sole discretion utilize the services of any third party technician or installer.
- (b) The Client shall provide such space for the ATM as is necessary to enable customers to have unobstructed access to the ATM and for maintenance and servicing of the ATM. The Client shall be solely responsible for providing a dedicated 110 Volt Single Use lug-in within three (3) feet of the ATM.
- (c) The indoor location of the ATM and Equipment shall be determined by the

Company at its sole discretion.

- (d) The Company will install, or cause to be installed, any software or hardware modifications to the ATM (the "Upgrades") required by Interac, from time to time, so that the ATM can remain compliant with Interac transaction processing requirements.
- (e) The Company will provide and continue to provide the services necessary for the ATM to comply with the rules as outline by Interac.
- (f) If for any reason the ATM fails to comply with any of the rules, the Client and the Company each agree to contact the other at necessary to rectify the situation immediately.
- (g) The Client will provide the Company or its sub-contractors with reasonable access to the Premises to facilitate the installation and upgrades.
- (h) The Company may, at its sole discretion, remove the Equipment or any part thereof, from the Premises without notice.

2. TITLE TO THE ATM

- (a) Notwithstanding the manner in which the ATM is attached to the Premises, the Client acknowledges that: (i) title to the Equipment remains with the Company; and (ii) the Client shall not obtain any right, title or interest in or to the Equipment or any part thereof.
- (b) The Client shall defend the Equipment and keep it free of all security interests, mortgages, liens, claims, charges or other encumbrances of any party claiming through the Client or through any agent, tenant, sub-tenant, licensee or similar person occupying the Premises.
- (c) The Client shall execute all assurances and other document(s) as may be reasonably requested from time to time by the Company, at the Company's expertise, to protect the Company's interests in the Equipment or any part thereof.
- (d) The Company may attach stickers or other identification to the Equipment identifying it as the Property of the Company and the Client will not remove such identification.

3. MAINTENANCE AND INSURANCE

- (a) "Maintenance" means the periodic servicing and cleaning of the Equipment including the cost of parts and labour required to keep the Equipment in proper working order.
- (b) The Company will be responsible, at its sole cost and expense, for Maintenance of the Equipment.
- (c) The Company will be responsible, at its sole cost and expense, for providing and

installing in the ATM, the receipt paper and other disposables as required ensuring that the ATM is operable during the Client's normal business hours.

(d) The Company will be responsible, at its sole cost and expense, for the costs associated with monthly charges for the ATM's dedicated communication line.

(e) The Company will be responsible for maintain insurance on the Equipment in amount's and with insurer's satisfactory to the Company.

(f) The Company reserves the right to schedule reasonable downtime to accomplish necessary maintenance or system improvements, if necessary.

4. CLIENT'S REPRESENTATIONS, WARRANTIES AND COVENANTS

(a) The Client represents and warrants to the Company that the execution, delivery and performance of this Agreement and the completion of the transactions contemplated hereby, will not constitute or result in a violation, breach or default under any other agreement to which the Client is a party.

(b) The Client will keep hourly employee logs and will, within one (1) business day after request by Company, submit those logs to the Company.

(c) The Client will comply with all Interac rules and future modifications of the rules as required by Interac or other Networks and will accept responsibility for any charges levied as a result of the management of the ATM machine.

(d) The Client will not remove the Equipment or permit its removal from the Premises without the prior written consent of the Company.

(e) The Client will, if requested, promptly provide assistance to ATM users.

(f) The Client will promptly notify the Company if the Equipment or any part thereof is malfunctioning, damaged or missing.

(g) The Client agrees to the installation of the ATM signage and to provide the Company access to the Premises to allow for signage installation. The signage will not be removed without consent of the company (unless it interferes with any bylaw-depending on the jurisdiction)

(h) The Client shall keep the ATM available for use to the public and connected during all normal business hours.

(i) All cash kept in the ATM shall belong to the Company and that party shall accept the entire risk of loss if any cash is lost, stolen or settled to incorrect account.

(j) The Client represents and warrants that it is the owner of the Premises or that it holds a lease or option to renew the lease for the Premises of equal or greater length than the Initial Term of this Agreement.

(k) The Client will not conduct any illegal activity on the premises.

(l) The Client will assume full responsibility over the atm, and the cash within if it is

siezed by the police. The Client will pay the Company for both the atm and its contents.

5. EXCLUSIVE RIGHTS

- (a) The Client hereby grants to the Company the exclusive right to install and operate an ATM and related products on the Premises for the term of the Agreement.
- (b) The Client represents and warrants that it has not signed an agreement with another ATM company and that the execution of this Agreement will not result in a breach of the Client's obligations under any other agreement.
- (c) The Client will not purchase an ATM for installation on or about the Premises, unless such ATM is purchased from the Company. Notwithstanding any purchase of an ATM by the Client for installation on the Premises, The Client agrees that the Company will be its sole processor of ATM functions during the term of this Agreement.
- (d) If the Client is not in default under this Agreement and if the Client purchases an ATM from the Company for installation on or about the premises, then: (i) the Surcharge (as defined in Section 6) payable to the Client will be reduced to 80% of the Surcharge set out in Section 6, and (ii) the Client will transfer the communication services relating to the ATM to the Client's name.

6. TRANSACTION FEE ARRANGEMENT

- (a) The transaction fee (the "Surcharge") shall be set at \$ 3.00. The Company may increase or decrease the Surcharge from time-to-time in its sole benefit and discretion. For purposes of this Agreement, a transaction is defined as any cash withdrawal made from a cardholder's account when a surcharge fee is collected.
- (b) The Company agrees to pay the Client \$ 0.00 per transaction (the "Client's Commission") which will be paid to the Client by cheque or upon the Client's request, by direct deposit to the Client's Account on or before the 20th day of each month.
- (c) Should any governmental or other regulatory authority or body mandates or statutorily reduces the Surcharge, the Client's Commission will be reduced by the same percentage or proportion of the reduction of the Surcharge.

7. VAULT LOADING

- (a) The Company agrees to maintain an adequate amount of cash (in denominations chosen by the company) in the ATM to ensure its continuing operation during the Client's regular business hours at the Premises.

8. SIGNAGE

- (a) The Company agrees to pay the cost of basic ATM signage to be installed in and

around the Premises. The Company agrees to install such signage at the time of the ATM installation.

9. TRANSACTION REPORTS

- (a) The Company agrees to provide the Client with a detailed monthly transaction statement to be sent by regular mail.

10. TERM AND TERMINATION

- (a) The term of this Agreement shall be for a 84 month(s) period commencing on the Effective Date (the "Initial Term").
- (b) The Agreement shall, after the expiry of the Initial Term or any then current Renewal Term renew automatically for the same period of this agreement (the "Renewal Term") on the same terms and conditions as set out in this Agreement unless a party gives written notice to the other party not less than 180 days prior to the end of the Initial Term or the then current Renewal Term that such party does not want to renew the Agreement and, in such case, this Agreement shall then terminate on the expiry of the Initial Term or the then current Renewal Term.
- (c) Notwithstanding the foregoing, the Company may terminate this Agreement immediately, without notice, if the Client commits an Event of Default. The Client shall be deemed to have committed an Event of Default if it: (i) fails to perform or observe any of its material obligations under this Agreement; or (ii) makes an assignment for the benefit of creditors, or suffers a receiver or trustee to be appointed, or files or suffers to be filed any petition or plan or commences any proceeding under any bankruptcy or insolvency law of any jurisdiction, or (iii) suspends business or commits any act amounting to a business failure, or (iv) suffers an attachment or tax lien against any of its property which is not being disputed or appealed in good faith, or (v) makes a voluntary assignment or transfers of all or substantially all of its property; or (vi) commits or omits any act which impairs its prospect of performing any material obligations under this Agreement; or (vii) is in default under any other agreement it may have with the non-defaulting party or any affiliate of the non-defaulting party; or (viii) suffers a material adverse change in operating or financial condition which may impair its ability to perform its obligations under this Agreement; or (ix) delivers or makes any representation or warranty in this Agreement, or in any document delivered in connection herewith, which shall prove to be false or misleading in any material respect.
- (d) Notwithstanding any provisions in this Agreement to the contrary, the Company may terminate this Agreement upon two (2) days' notice to the Client in writing in advance without any cause or reason. This Agreement shall come to an end at the expiry of the notice period.
- (e) On termination of this Agreement, the account of each party with the other shall be settled and paid as promptly as possible, upon such terms as are set out in this

Agreement and the Client will allow the Company to remove the Equipment from the Premises.

(f) If the Client breaches this Agreement and the Company elects to terminate this Agreement, then in addition to all other rights that the Company may have in law or in equity, the Client will pay to the Company, as liquidated damages and not as a penalty, an amount equal to the Company's average monthly Surcharge revenue under this Agreement up to the date of termination multiplied by the number of months remaining in the then current initial Term or Renewal Term (as applicable) plus all Equipment removal costs. The Client acknowledges that the amount payable in accordance with this Section is a reasonable estimate of the Company's liquidated damages.

(g) Upon termination of the contract, the Company will not be responsible to repair any damage or renovations completed during the installation process of the ATM and the signage or to return the Premises to its original state as existed prior to the installation of the ATM and the signage.

11. RIGHT OF FIRST REFUSAL

(a) For the period of 24 months after the expiry or termination of this Agreement, the Client hereby grants to the Company the right to match the financial terms of any bona fide offer from a third party to provide an ATM at the Premises.

(b) The details of the third party's offer to provide an ATM at the Premises must be submitted by the Client to the Company prior to entering into an Agreement with such third party in writing and the Company will have thirty (30) days to either agree or refuse to meet the financial terms of the third party offer. If the Company does not respond within the thirty (30) days, then it shall be deemed to have refused to match the third party offer.

12. TRANSFER OR ASSIGNMENT

(a) The Client may not assign, in whole or in part, this Agreement or its rights or obligations under this Agreement without the prior written consent of the Company which consent may be arbitrarily denied. The Client will give the Company ninety (90) days' notice in writing prior to any Transfer by the Client of its interest in the Premises or business to any other party, and/or Change or control of the ownership of the Client, where the Client is a Corporation.

(b) The Client agrees that this Agreement will be included in its entirety in any sale or transfer of the business to any other party.

(c) Failure by the Client to inform such parties of this Agreement will not release either party from this Agreement.

- (d) The Company may assign this Agreement to any other person, partnership or corporation without notice to the Client.

13. INDEMNITY

- (a) The Client will indemnify and save harmless the Company and its officers, directors, employees, and agents from and against any and all claims, actions, causes of action, damages, losses and other liabilities and expenses including, without limitation, those in connection with bodily injury (including death), personal injury, illness or discomfort or damage to property arising by reason of:

- (i) a breach by the Client of its obligations set out in this Agreement, and/or
- (ii) any negligent act or omission on the part of the Client, its officers, directors, employees, agents, or sub-contractors.

14. LIMITATION OF LIABILITY

- (a) The Client acknowledges that the operation of the ATM may be disrupted from time to time.
- (b) The Company will not be liable for any damages, claims, losses or costs of any nature as a result of the installation, use or disruption of service of the Equipment or any part thereof.
- (c) In no event will the Company be liable to the Client or any third party for indirect damages, consequential damages or lost profits. The maximum liability of the Company to the Client (if any) will be limited to the average Surcharge revenue payable to the Client multiplied by three (3) months.

15. MISCELLANEOUS

- (a) Number: In this Agreement words importing the singular number only shall include the plural and vice versa and words importing any gender shall include all other genders.
- (b) Severability: If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions thereof shall continue in full force and effect.
- (c) Days: Unless otherwise specified, any reference to a "day" shall mean a business day and shall exclude Saturday, Sunday and statutory holiday.
- (d) Transfer/Assignment: The Company shall have the right to transfer or assign this agreement.

- (e) **Benefit of Agreement:** This Agreement shall inure to the benefit of and be binding upon the successors and permitted assigns of the respective parties hereto.
- (f) **Entire Agreement:** This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, forms, conditions, undertakings or collateral agreements, express implied or statutory between the parties other than as expressly set forth in this Agreement.
- (g) **Amendment and Waivers:** No amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both of the parties hereto. No waiver of any breach of any term or provision of this Agreement shall be effective or binding unless made in writing and signed by the party purporting to give the same and unless otherwise provided in the written waiver, shall be limited to the specific breach waived.
- (h) **Currency:** All references to dollar amounts or other money amounts in this Agreement are expressed in, and will be payable in the lawful money of Canada.
- (i) **Counterparts:** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same instrument.
- (j) **Relationship of the Parties:** Nothing in this Agreement will be construed so as to create a joint venture or partnership or a landlord tenant relationship between the parties.
- (k) **Jurisdiction:** This Agreement shall be construed, interpreted and enforced in accordance with the laws of the Province of Ontario, excluding the rules on conflicts of laws. The parties consent to the jurisdiction of any provincial or federal court located in Ontario and waive any objection relating to improper venue.
- (l) **Disclaimer:** Except as specifically provided in this Agreement, the Client understands and agrees that the Company makes no warranty, express, implied or statutory, as to any matter whatsoever, including the condition of the ATM, its merchantability or fitness for any particular purpose or in regard to the economic benefits to the Client. The Company shall in no event be responsible for any lost profits or incidental, consequential, special or indirect damages the Client may incur.

16. NOTICES

- (a) Any demand, notice or other communication (hereinafter in this Section 16 referred to as a "Notice") to be given in connection with this Agreement shall be given in writing and may be given by personal delivery, by registered mail or by facsimile addressed to the recipient as follows:

if to the Company:

Capital Funds ATM Inc.

25 Magani Dr Bradford On L3Z2S5

Tel.: 416-453-1793

Fax: 647-559-5983

if to the Client:

Name: KAJANTHAN KANAGARAJAH

Address: _____

Telephone Number: _____

Cell Number: 647-504-4819

Fax Number: _____

or such other address, facsimile number or individual as may be designated by notice by any party to the other.

(b) Any Communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the third (3rd) Day following the deposit thereof in the mail and, if given by facsimile, on the day of transmittal thereof if was faxed before 4:00 pm Eastern time and on the next Day if faxed after 4:00 pm.

(c) If the party giving any Communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such Communication shall not be mailed but shall be given by personal delivery or by facsimile.

IN WITNESS WHEREOF the parties have executed this Agreement.

Signed, Sealed, and Delivered,

IN THE PRESENCE OF

) Capital Funds ATM Inc.

) Per Robert Di Pasquale

) Client

) Name: KAJANTHAN K.

SCHEDULE "A"

Premises

1. 5810 SHEPPARD AVE EAST #104 SCARBOROUGH ON M1B 1H9
- 2.
- 3.

SCHEDULE "B"

EQUIPMENT

RR
 12 ATM machine
 basic ATM signage

APPENDIX F

RSM Canada Limited

5818 SHEPPARD AVE E

HVAC System Condition Assessment & Proposed Improvements



Pact Engineering Inc.
80 Bass Pro Mills Dr. Unit 14
Concord, Ontario L4K 5W9
Tel: (905) 773 2442
Fax: 1 (844) 206 7149
Email: main@pactengineers.com
Web: www.pactengineers.com

October 23, 2018



Contents

1.	Purpose:.....	3
2.	Scope:.....	3
3.	Introduction.....	3
4.	HVAC System.....	4
5.	HVAC Systems General Conditions	8
6.	Existing HVAC Systems Deficiencies & Issues.....	9
7.	Proposed HVAC Systems.....	10
8.	Proposed HVAC Systems Cost Estimate.....	19

1. Purpose:

To assess the existing HVAC system and provide the optimized HVAC system improvements based on the existing architectural layout and installed systems and compliance with Ontario Building Code.

2. Scope:

- 2.1 Providing the existing system components and related conditions
 - 2.1.1 List of equipment, age, technical conditions, deficiencies and required work for each to make it functional and to match with the building's original design intent.
 - 2.1.2 General health and safety conditions of the equipment and surrounding
- 2.2 The mandatory upgrades of the existing system to comply with current building & fire code.
- 2.3 List of equipment existing equipment for each HVAC System
- 2.4 List of proposed new equipment and related required peripheral works based on above.
- 2.5 Cost estimate of the proposed repairs and upgrades.

3. Introduction

5818 Sheppard Ave E is a building with one underground level (basement floor), Main Floor and second floor.

The basement presently is vacant and has not been in use. The main floor contains retail store, pharmacy and medical office and one large open commercial space (office setting). Second floor is all office spaces in several different units.

4. HVAC System

4.1. Basement

As the space has not been in use the related spaces are not finished and presently is only a shell. The only system so far has been installed:

- Some electrical baseboard heaters to provide minimum heating requirement
- An exhaust fan and two air inlets for general ventilation system meant to provide minimum air circulation to prevent the stagnant air.
- Since there is no existing occupancy for basement, we do not consider any measurement and improvement for this space.

4.2. Main Floor

4.2.1. Retail Space: Convenience Store (**HVAC System No 1**)

This space works in conjunction with gas station. The HVAC system is as below:

- One air handling unit with electrical heater and split air conditioning system.

4.2.2. Physiotherapy and Rehab med office (**HVAC System No 1**)

This space is adjacent to Convenience store above with which shares the HVAC system.

4.2.3. Main Floor Office (**HVAC System No 2**)

This space has an access from main floor lobby. At the time of our survey the unit was vacant and the previous occupants had moved out.

- Heating is by some electrical baseboard heaters
- Cooling is not provided as well as ventilation.

4.2.4. Pharmacy (**HVAC System No 3**)

This space is only has electric heater for heating system. Cooling and ventilation are not provided for this space.

4.2.5. Medical Clinic (**HVAC System No 4**)

This space is presently occupied and active in business. The HVAC system for this space concludes as:

- One air handling unit with electrical heater and split air conditioning system.

4.3. Second Floor

As explained above this floor is included several units with office use.

The present partitions and layout contains five separate offices. The HVAC system on this floor is based on three air handling units with electrical heat and split air conditioning system. All three air handling units and associated distribution ductwork are located in attic space.

- Office 201 (**HVAC System No 5**)
This office is served by AHU-1 independent to other offices. AHU-1 is equipped with electric heat and connected to an outdoor condensing unit (AC-1) for cooling system. Under each window there is one electric baseboard heater for perimeter heating.
- Office 202 and office 203 (**HVAC System No 6**)
Those two offices are served by one air handling unit (AHU-2). AHU-2 is equipped with electric heat and connected to an outdoor condensing unit (AC-2) for providing cooling to offices. Under each window there is one electric baseboard heater for perimeter heating.
- Office 204 and office 205 (**HVAC System No 7**)
The offices 204 and 205 are served by one air handling unit (AHU-3). AHU-3 is equipped with electric heat and connected to an outdoor condensing unit (AC-2) for providing cooling to offices. Under each window there is one electric baseboard heater for perimeter heating.



HVAC EXISTING CONDITIONS

	OFFICE 201	OFFICE 202	OFFICE 203	OFFICE 204	OFFICE 205	CONVENIENCE STORE	PHYSIO MED.	MAIN FL. OFFICE	PHARMACY	MED. CLINIC
AREA (FT ²)	≈1,300	≈300	≈1,100	≈600	≈950	≈1,000	≈1,300	≈1,000	≈400	≈900
LOAD MBH	35	5	15	8	25	30	42	18	12	30
BASEBOARD KW	7.5	1.5	3.75	2.25	7.0	7.5	9.0	4.5	2.0	7.0
AHU	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16				1 X N2AHD16
EL. COIL KW	0	0	0	0	0	0		-	-	0
NOTE	No. 3	No. 4	No. 4	No. 4	No. 4				No. 5	No. 6
LOAD MBH	42	9	36	18	24	24	24	24	9	2.0
INDOOR UNIT	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16	1 X N2AHD16				1 X N2AHD16
OUTDOOR UNIT	2 REF. TON	2 REF. TON	2 REF. TON	2 REF. TON	2 REF. TON	2 REF. TON		-	-	2 REF. TON
NOTE	No. 7	No. 7	No. 7	No. 7	No. 7	No. 8		No. 9	No. 9	No. 6
LOAD (CFM)	120	40	100	50	85	240	340	85	100	80
UNIT										
NOTE	No. 10	No. 10	No. 10	No. 10	No. 10	No. 10	No. 10	No. 10	No. 10	No. 10



NOTES:

1. The area values are not accurate and are based on scaling the original base building drawings.
2. None of the spaces has ventilation (fresh air introduction).
3. The heating load include the ventilation load as well.
4. Both offices serve by one AHU and have serious return air issue.
5. The existing baseboard heater is not sufficient to respond to the Pharmacy heating load.
6. There was no access at the time surveying the existing conditions. The information is based on common practice in the building.
7. Cooling capacity available to the unit is not sufficient and the office has major return air issue.
8. The existing installed cooling unit is not sufficient to respond to the cooling demand.
9. There is no air conditioning system for this space.
10. There is no ventilation (fresh air introduction) to unit.

5. HVAC Systems General Conditions

HVAC NO.		HEATING		COOLING		DUCTWORK
		BASEBOARDS	AHU	COIL LINESET	OUTDOOR UNIT	
1	AGE	30	30	30	30	30
	CONDITION	OK	N/O	POOR	POOR	POOR
2	AGE	30	-	-	-	-
	CONDITION	OK	-	-	-	-
3	AGE	30	-	-	-	-
	CONDITION	OK	-	-	-	-
4	AGE	30	30	30	30	30
	CONDITION	OK	POOR	POOR	POOR	POOR
5	AGE	30	30	30	30	30
	CONDITION	OK	POOR	POOR	N/O	POOR
6	AGE	30	30	30	30	30
	CONDITION	OK	POOR	POOR	POOR	POOR
7	AGE	30	30	30	30	30
	CONDITION	OK	N/O	POOR	N/O	POOR

6. Existing HVAC Systems Deficiencies & Issues

- 6.1. HVAC System 1 (Retail Convenience Store & Physio Centre)
- The extensive and chronic water leakage in and around the indoor unit caused mold growth in Convenience Store.
 - The indoor handling unit has developed serious damage due to lack of preventive maintenance.
 - The air conditioning system has developed a leak in refrigeration circuit.
 - The outdoor unit is not operating properly. The unit is old and because of lack of maintenance is seriously damaged.
 - There is no fresh air introduction (ventilation) for this unit. This item is a violation to Ontario Building Code and Health department.
- 6.2. HVAC System 2 (Main Floor Office Space)
- There is no air handling unit and cooling system for this unit. The HVAC system is concluded in some baseboard heaters.
 - The unit for a long time has been exposed to high humidity. No Air circulation.
 - Only few portable AC units were in use during the operation of last tenant in this unit.
 - There is no fresh air introduction (ventilation) for this unit. This item is a violation to Ontario Building Code and Health department.
- 6.3. HVAC System 3 (Pharmacy)
- There is no air handling unit and cooling system for this unit. The HVAC system is concluded in one baseboard heater.
 - The unit has no air circulation and or ventilation.
- 6.4. HVAC System 4 (Medical Clinic)
- The HVAC system is operating.
 - The outdoor unit is old and in poor conditions which is mainly due to not having regular maintenance.
 - There is no fresh air introduction (ventilation) for this unit. This item is a violation to Ontario Building Code and Health department.
- 6.5. HVAC System 5 (Office 201)
- The indoor air handling unit is located in attic. The supply ductwork is not properly insulated and there is substantial air leakage to attic space.
 - There is no return ductwork which has caused completely unbalanced conditions inside the office spaces.
 - The indoor handling unit has developed serious damage due to lack of preventive maintenance.
 - The outdoor unit is not operating properly. The unit is old and because of lack of maintenance is seriously damaged.

- There is no fresh air introduction (ventilation) for this unit. This item is a violation to Ontario Building Code and Health department.

6.6. HVAC System 6 (Office 202 and 203)

- The indoor air handling unit is located in attic. The supply ductwork is not properly insulated and there is substantial air leakage to attic space.
- There is no return ductwork which has caused completely unbalanced conditions inside the office spaces. Also substantial air leakage in attic space.
- The indoor handling unit has developed serious damage due to lack of preventive maintenance.
- The outdoor unit is not operating properly. The unit is old and because of lack of maintenance is seriously damaged.
- There is no fresh air introduction (ventilation) for this unit. This item is a violation to Ontario Building Code and Health department.

6.7. HVAC System 7 (Office 202 and 203)

- The indoor air handling unit is located in attic. The supply ductwork is not properly insulated and there is substantial air leakage to attic space.
- There is no return ductwork which has caused completely unbalanced conditions inside the office spaces. Also substantial air leakage in attic space.
- The indoor handling unit has developed serious damage due to lack of preventive maintenance.
- The air conditioning system refrigeration line set has a leak that has caused a lot of water spillage into attic space.
- The outdoor unit is not operating properly. The unit is old and because of lack of maintenance is seriously damaged.
- There is no fresh air introduction (ventilation) for this unit. This item is a violation to Ontario Building Code and Health department.

7. Proposed HVAC Systems

As almost all the HVAC systems components are old, damaged and or out of service, we recommend the whole systems to be replaced with new equipment. In this new supply of equipment and installation the following principals to be considered:

- All the new units and accessories sizes and capacities shall be based on updated engineering calculation.
- All the new components shall be installed as per good engineering

and workmanship practices.

- All the equipment being installed shall have last CSA standard approval.
- The efficiency of each equipment shall be in accord with CSA requirement, OBC requirement as well as ASHRAE guidelines.
- Any routing of new line sets as well as the location of the outdoor units to be coordinated with Receiver.
- All the new components power supply requirement shall be reviewed and in case they are different to roughed-in/ existing power lines the pertinent modification to be applied to power line.
- All installations to be done by experienced trade people. All the related trade certificates of staff doing the work shall be checked in advance.
- All the existing roughed-in parts of the system (electrical, plumbing and refrigeration) shall be checked to confirm proper sizing, good conditions and professional installation. In case of any deviation the pertinent part to be removed and new work to be done.

7.1. Assumptions for new HVAC system design

- To maintain the integrity of the original building HVAC design.
- To minimize the extent of structural/architectural alterations.
- To have the most reasonable approach while the new equipment meet the indoor comfort and air quality to have the best value for funds being used.
- In design considerations the application of each unit to match the existing application for occupied units and or to match the last application for unoccupied units.
- The units HVAC (based on the existing applications) to comply with Building Code.
- There are two recently installed residential gas fueled furnaces which are to be dismantled and removed due to:
 - o Gas piping is not as per CSA 149.1 requirement
 - o The ductwork performed (partially done) in attic has interfered with original ductwork/air distribution.
 - o No fresh air (ventilation) for units.
 - o The installed units are undersized and their capacities (cooling and air circulation) will not meet the units demand
 - o The outdoor condensing units, line sets and power supply are not installed.
 - o The return air from units to furnace is not going to work and will cause unbalanced air circulation and malfunctioning of the furnace and AC.

7.2. Proposed HVAC Systems General Scope of Work (**Option A**)

7.2.1. HVAC System 1 (Retail Convenience Store & Physio Centre)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new Condensing Unit, line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork

Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.2.2. HVAC System 2 (Main Floor Office Space)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new Condensing Unit, line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide new supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.2.3. HVAC System 3 (Pharmacy)

- Supply and install of one split ductless "Cold Climate Heat Pump Unit" including outdoor condensing unit, indoor wall mounted ductless unit and interconnecting control, power and refrigeration line set.

Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE"

7.2.4. HVAC System 4 (Medical Clinic)

- Supply and install of one new Air Handling Unit with built-in electrical heater.
- Supply and install of one new Condensing Unit, line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.2.5. HVAC System 5 (Office 201)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new Condensing Unit, line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.2.6. HVAC System 6 (Office 202 and 203)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new Condensing Unit, line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.2.7. HVAC System 7 (Office 202 and 203)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new Condensing Unit, line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.3. Proposed HVAC Systems General Scope of Work (**Option B**)

7.3.1. HVAC System 1 (Retail Convenience Store & Physio Centre)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new outdoor heat pump unit (20 SEER), line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit



- Provide alteration to supply and return ductwork

Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.3.2. HVAC System 2 (Main Floor Office Space)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new outdoor heat pump unit heat pump unit (20 SEER), line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide new supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.3.3. HVAC System 3 (Pharmacy)

- Supply and install of one split ductless "Cold Climate Heat Pump Unit" including outdoor condensing unit, indoor wall mounted ductless unit and interconnecting control, power and refrigeration line set.

Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE"

7.4. HVAC System 4 (Medical Clinic)

- Supply and install of one new Air Handling Unit with built-in electrical heater.
- Supply and install of one new outdoor heat pump unit heat pump unit (20 SEER), line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.5. HVAC System 5 (Office 201)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new outdoor heat pump unit heat pump unit (20 SEER), line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.6. HVAC System 6 (Office 202 and 203)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new outdoor heat pump unit heat pump unit (20 SEER), line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".

7.7. HVAC System 7 (Office 202 and 203)

- Supply and install of one new Air Handling Unit with built-in electrical heater
- Supply and install of one new outdoor heat pump unit heat pump unit (20 SEER), line set and indoor coil including interconnecting control, power and refrigeration line set.
- Supply and install of one Heat Recovery Unit
- Provide alteration to supply and return ductwork
- Note: For capacities refer to the following "HVAC PROPOSED SYSTEM SCHEDULE".



HVAC PROPOSED SYSTEM Schedule (Option A)

	OFFICE 201	OFFICE 202	OFFICE 203	OFFICE 204	OFFICE 205	CONVENIENCE STORE	PHYSIO MED.	MAIN FL. OFFICE	PHARMACY	MED. CLINIC
AREA (FT ²)	≈1,300	≈300	≈1,100	≈600	≈950	≈1,000	≈1,300	≈1,000	≈400	≈900
LOAD MBH	32	5	15	8	25	30	42	18	12	30
BASEBOARD KW	7.5	1.5	3.75	2.25	7.0	7.5	9.0	4.5	2.0	7.0
AHU	1600 CFM	1600 CFM	1600 CFM	1600 CFM		2000 CFM		1000 CFM	n/a	1000 CFM
EL. COIL KW	2.5	2.5	2.5	2.5	2.5	5		2.5		2.5
NOTE	No. 2	No. 2	No. 2	No. 2	No. 2	No. 3		No. 4	No. 5	No. 3
LOAD MBH	42	9	36	18	24	30	30	30	9	2.5
INDOOR UNIT	3.5 TON DX COIL	3.5 TON DX COIL	3.5 TON DX COIL	3.5 TON DX COIL	3.5 TON DX COIL	5.0 TON DX COIL	2.5 TON DX COIL	2.5 TON DX COIL	1.5 TON DUCTLESS	2.5 TON DX COIL
OUTDOOR UNIT	3.5 TON COND.	3.5 TON COND. UNIT	3.5 TON COND. UNIT	3.5 TON COND. UNIT	3.5 TON COND. UNIT	5.0 TON COND. UNIT	2.5 TON COND. UNIT	2.5 TON COND.	1.5 TON COND.	2.5 TON COND.
NOTE	No. 6	No. 6	No. 6	No. 6	No. 6	No. 6		No. 6	No. 6	No. 6
LOAD (CFM)	120	40	100	50	85	240	340	85	100	80
UNIT	HRV	HRV	HRV	HRV	HRV	HRV	HRV	HRV	HRV	HRV
NOTE	No. 7				No. 8					No. 8



HVAC PROPOSED SYSTEM Schedule (Option B)

	OFFICE 201	OFFICE 202	OFFICE 203	OFFICE 204	OFFICE 205	CONVENIENCE STORE	PHYSIO MED.	MAIN FL. OFFICE	PHARMACY	MED. CLINIC
AREA (FT ²)	≈1,300	≈300	≈1,100	≈600	≈950	≈1,000	≈1,300	≈1,000	≈400	≈900
LOAD MBH	32	5	15	8	25	30	42	18	12	30
BASEBOARD KW	7.5	1.5	3.75	2.25	7.0	7.5	9.0	4.5	2.0	7.0
AHU	1600 CFM	1600 CFM	1600 CFM	1600 CFM	2000 CFM	2000 CFM		1000 CFM	n/a	1000 CFM
EL. COIL KW	2.5	2.5	2.5	2.5	5	5		2.5		2.5
NOTE	No. 2	No. 2	No. 2	No. 2	No. 3	No. 3		No. 4	No. 5	No. 3
LOAD MBH	42	9	36	18	24	30	30	30	9	2.5
INDOOR UNIT	5 TON HP COIL	3.5 TON HP COIL	5.0 TON HP COIL	5.0 TON HP COIL	5.0 TON HP COIL	5.0 TON HP COIL	5.0 TON HP COIL	5.0 TON HP COIL	1.5 TON Ductless	5.0 TON HP COIL
OUTDOOR UNIT	5.0 TON Heat Pump	5.0 TON COND. UNIT	5.0 TON COND. UNIT	5.0 TON COND. UNIT	5.0 TON COND. UNIT	5.0 TON COND. UNIT	5.0 TON COND. UNIT	2.5 TON COND.	1.5 TON Heat Pump	2.5 TON COND.
NOTE	No. 6	No. 6	No. 6	No. 6	No. 6	No. 6		No. 6	No. 6	No. 6
LOAD (CFM)	120	40	100	50	85	240	340	85	100	80
UNIT	HRV	HRV	HRV	HRV	HRV	HRV	HRV	HRV	HRV	HRV
NOTE	No. 7				No. 8					No. 8



NOTES:

1. Three new enclosures in attic space will need to be made with walls and ceilings fully insulated c/w vapour barrier.
2. New air handling unit horizontally installed c/w drain pan and water over flow sensor. The electric heater module and controllers to be built-in from same manufacturer.
3. New air handling unit vertically installed c/w electric heater module and controllers to be built-in from same manufacturer.
4. New mechanical room to be built in on floor c/w floor drain. New air handling unit vertically installed c/w electric heater module and controllers to be built-in from same manufacturer.
5. This unit will not have an air handling unit. Instead a cold climate split heat pump to be installed. The indoor unit will be a ductless wall mounted unit.
6. An outdoor two stage heat pump unit to be installed on east wall. New line set to be drawn to indoor unit.
7. A heat recovery unit with specified capacity to be installed in the attic service space. The stale air and fresh air to be connected to AHU return duct. The unit will be hung to roof truss. Minimum sensible recovery rate to be 70%.
8. A heat recovery unit with specified capacity to be installed in the mechanical room. The stale air and fresh air to be connected to AHU return duct. The unit will be hung to ceiling. Minimum sensible recovery rate to be 70%.

8. Proposed HVAC Systems Cost Estimate

8.1. Cost Estimate Assumptions

The following items are considered in cost estimate of the proposed improvements:

- This cost estimate is in conformance with a Class 4 estimate.
- The Power Supply to the equipment is included in the estimate.
- Attic insulation is in very poor condition, It has to be fixed/replaced after all measures are completed. The related cost is not included in this estimate.
- All second floor ventilation (fresh air and stale air) ducts are going to go to roof. The related roofing cost is not included in this estimate.
- For new mechanical room in Main Floor Office, a new floor drain needs to be provided by plumbers. The related plumbing, concrete cutting and concrete finishing cost is excluded from this estimate.
- The cost of building a mechanical closet for main floor offices (framing, drywalling, lighting and power outlet) is not included in this cost estimate.
- All potential drywall works, patch ups and painting is excluded.
- We assumed there is no fire separation (fire rated partitions) on main floor between different units on main floor.
- We assumed there is no fire separation (fire rated partitions) on second floor between different units on second floor.

8.2. Comparing Options A and B

- Option B is about 40% higher in capital cost.
- Option B is based on heat pump system that benefits of a very efficient performance in cooling and specially heating seasons.
- Heat pump system has Coefficient of Performance (COP) of minimum 2.5 which means almost for every kilowatt of power input the building will gain 2.5 kilowatts of heating. This can be compared with electrical heat whose COP is about 1.0.
- So as a comparison a heat pump system's efficiency is minimum 2.5 times of electric heat efficiency.
- The heat pump system considered for this project are 2-stage equipment in heating as well as cooling. This makes the energy consumption in summer time to be considerably less than a single stage AC system.
- There are rebates from IESO available which is expected to be 10% of capital cost of heat pump based system.
- The heat pump system cost difference with conventional AC system for this project is about \$40,000. The ROI of this difference will be less than 4 years. After the fourth year will be a constant saving in building operation.

Cost Estimate Schedule for Proposed Improvement (option A)

HVAC NO.	General Conditions	Demolition & Removal	New Equipment & Accessories including piping, control and power supply	Contingency	Sub-Total
1	\$1050	\$850	\$12,870	\$1,477	\$16,247
2	\$1,470	0	\$16,450	\$1,792	\$19,712
3	\$700	0	\$5,500	\$620	\$6,820
4	\$1,050	\$850	\$11,200	\$1,310	\$14,410
5	\$1,290	1,250	\$13,290	\$1,583	\$17,413
6	\$1,290	1,250	\$13,290	\$1,583	\$17,413
7	\$1,290	1,250	\$13,290	\$1,583	\$17,413
Total					\$109,428

Cost Estimate Schedule for Proposed Improvement (option B)

HVAC NO.	General Conditions	Demolition & Removal	New Equipment & Accessories including piping, control and power supply	Contingency	Sub-Total
1	\$1050	\$850	\$18,170	\$2,007	\$22,077
2	\$1,470	0	\$21,950	\$2,340	\$25,740
3	\$700	0	\$5,500	\$620	\$6,820
4	\$1,050	\$850	\$17,200	\$1,910	\$21,010
5	\$1,290	1,250	\$19,790	\$2,233	\$24,563
6	\$1,290	1,250	\$19,790	\$2,233	\$24,563
7	\$1,290	1,250	\$19,790	\$2,233	\$24,563
Total					\$149,336

APPENDIX G



Investigation of Mould Growth

5810 – 5818 Sheppard Avenue East, Toronto, Ontario

Prepared for:

RSM Canada LLP

11 King Street West, Suite 700
Toronto, Ontario M5H 4C7

Attn: Jeff Berger

October 22, 2018

Pinchin File: 230382



Issued to: RSM Canada LLP
Contact: Jeff Berger
Manager
Issued on: October 22, 2018
Pinchin File: 230382
Issuing Office: Mississauga, ON
Primary Pinchin
Contact: Vlada Liashko
Project Manager



Author: _____
James Widya, B.A.
Senior Project Technologist
416.303.2315
jwidya@pinchin.com

Reviewer: _____
Vlada Liashko, B.E.S., GIS/RS
Project Manager
905.363.1442
vliashko@pinchin.com

Reviewer: _____
Caitlin Osborne, B.A., EMAPG
Senior Project Manager
905.363.1440
cosborne@pinchin.com



EXECUTIVE SUMMARY

RSM Canada LLP retained Pinchin Ltd. (Pinchin) to perform an investigation of potential mould growth at 5810 – 5818 Sheppard Avenue East, Toronto, Ontario. The project was undertaken in response to suspect mould growth identified throughout the building due to various leaks. The survey, conducted on October 10, 2018 addressed all accessible areas. The investigation included interviews, inspections, limited intrusive inspections and testing.

Pinchin identified wet and/or mouldy drywall finishes in the Basement, in all the units and lobby on the Ground Floor, and the majority of the units, washrooms and hallway on the 2nd Floor. The inspector could not assess all walls in the 2nd Floor washrooms due to ceramic tile finish on drywall walls and Unit 206 was not accessible.

The mould air sampling in Units 100, 103, 204, 104, 200 and 202 indicated that the indoor spore concentration was being impacted by mould growth at the time of testing. The mould air sampling in Units 101, 102 and 201 indicated that the indoor spore concentration was not being impacted by mould growth at the time of testing.

The wet materials, water damage and mould growth identified in this investigation were likely caused by a number of issues, including but not limited to, a hole in the roof, which has since been repaired, vent ducts that would not close, building envelope penetrations, condensate lines of HVAC units detached in the ceiling space and condensation from refrigeration panels.

As per the age of the building reported to Pinchin, 1987, the drywall joint compound on drywall is not expected to contain asbestos.

The following recommendations are offered to address the mould growth and water damage found in this building:

1. Communicate the findings of this report as required.
2. Consider any necessary steps for interim risk management.
3. Perform a building envelope investigation to identify sources of water infiltration in the building, and make repairs as required.
4. Ensure all leak sources have been repaired prior to reinstatement of new building finishes.
5. Consider performing a full Designated Substance Survey to identify Hazardous Building Materials on site.



6. Conduct further intrusive investigation in the Men's and Women's Washrooms on the 2nd Floor and in Unit 206, and in any areas where access was limited or where intrusive investigation could not occur during the investigation.
7. Arrange for the preparation of a detailed Scope of Work for the mould remediation and finalize an inspection and oversight plan.
8. Arrange for the following mould remediation, following EACO Level 1 methods as shown in the attached Drawings:
 - a. Unit 100
 - i. Remove and dispose of mouldy and wet wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of two feet and one foot past any mouldy growth or wet conditions near the refrigeration unit. Note: if additional mould growth is identified behind contents along the south and east walls in Unit 100, contact Pinchin for additional instructions.
 - ii. Remove a refrigeration panel or make an inspection cut from the adjacent wall to inspect the condition of the wall and wall cavity along the north wall. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions. If less than ten square feet of mould growth is identified, remove and dispose of following EACO Level 1 methods.
 - b. Unit 200
 - i. Remove and dispose of the mouldy wood shelving in the unit. Inspect the drywall walls in behind. If mould growth is identified, and is less than ten square feet remove and dispose of following EACO Level 1 methods. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions.
 - ii. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet and one foot past any visible mould growth.
 - iii. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet in the hallway outside of Unit 200.



- iv. Remove and dispose of the water damaged and cracked drywall ceiling. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions.
- c. Unit 201
 - i. Remove and dispose of the wet wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of one foot and one foot past any wet conditions.
 - ii. Remove and dispose of the water damaged drywall ceiling to one foot beyond any visible water damage or mould growth. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions.
- d. Unit 203
 - i. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of one foot and one foot past any mould growth.
- e. Unit 204
 - i. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard and drywall) to a height of one foot and one foot past any mould growth.
 - ii. Remove and dispose of mouldy wall finishes outside the Janitor's Closet (including but not limited to baseboard and drywall) to a height of one foot.
- f. 2nd Floor Washrooms
 - i. Remove and dispose of the south wall finishes (including but not limited to ceramic tile and drywall) to a height of two feet and one foot past any mould growth in the Women's Washroom.
 - ii. Make inspection cuts on remaining walls in the Men's and Women's Washrooms to ensure no additional mould growth is identified behind ceramic tile wall finishes. If additional mould growth is identified, remove and dispose of following the appropriate mould procedures.



9. Arrange for the following mould remediation, following EACO Level 1 methods in conjunction with Infection Control Preventative Measure IV procedures, as shown in the attached Drawings 2 and 3:
 - a. Unit 101
 - i. Remove and dispose of wet wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet in both Washrooms.
 - ii. Remove and dispose of water stained ceiling tiles in the Storage Room.
 - b. Unit 102
 - i. Remove and dispose of wet wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet and one foot past any wet conditions.
10. Arrange for the following mould remediation, following EACO Level 2 methods as shown in the attached Drawings:
 - a. Unit 103
 - i. Remove and dispose of the mouldy and wet wall finishes (including but not limited to baseboard, drywall and insulation) to a height of four feet and one foot past any visible mould growth. Wire brush and clean concrete block wall along the east wall.
 - b. Unit 104
 - i. Remove and dispose of the mouldy and wet wall finishes (including but not limited to baseboard, drywall, plywood, insulation and vapour barrier) to a height of four feet and one foot past any visible mould growth.
 - c. Unit 202
 - i. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of four feet and one foot past any visible mould growth.
 - ii. Lift and inspect the backside of the stained carpeting. If mould growth is identified, remove and dispose of carpeting.
 - d. 2nd Floor Hallway
 - i. Remove and dispose of the water damaged drywall ceiling finishes (including but not limited to drywall, vapour barrier and insulation) to one foot past any visible mould growth or water damage. Wire brush and



clean any mouldy or stained wooden joist in the ceiling space after drywall has been removed.

- ii. Remove and dispose of water damaged wall finishes (including but not limited to drywall, insulation and vapour barrier) to full height and one foot past any wet conditions in the south section of the Hallway.

- 11. Arrange for the following mould remediation, following EACO Level 3 methods as shown in the attached Drawings:
 - a. Remove and dispose of the mouldy and wet wall finishes (including but not limited to drywall, insulation and vapour barrier) to full height throughout the Basement.
- 12. Finalize an inspection and testing plan to document the mould remediation. To confirm, Pinchin will perform inspections at the following stages:
 - a. Clean Site Preparation
 - b. Post-Remediation Inspection
 - c. Post-Remediation Air Sampling
- 13. Clean the floors, other building surfaces, furnishings and contents in areas immediately adjacent to the remediation work areas, following normal custodial practices.



TABLE OF CONTENTS

1.0	INTRODUCTION AND SCOPE	1
1.1	Statement of Understanding	1
1.2	Scope of Work	1
2.0	METHODOLOGY	1
2.1	Interviews and Inspections	1
2.2	Test Methods and Criteria	2
2.3	Laboratory Analysis	3
3.0	FINDINGS	3
3.1	Results of Interviews	3
3.2	Facility Description.....	3
3.3	Results of Inspections and Testing.....	4
4.0	DISCUSSION.....	15
4.1	Discussion of Water Damage and Mould Growth	15
4.2	Mould Remediation and Inspection	19
4.3	Communication and Interim Risk Management	19
5.0	RECOMMENDATIONS.....	19
6.0	TERMS AND LIMITATIONS	23



APPENDICES

APPENDIX I	Drawings
APPENDIX II	Results of Mould Tests

LIST OF TABLES

Table I – Parameters Tested, Recommended Limits and Instruments or Methods Used	2
Table II – Facility Description	3
Table III – Unit 101 and Unit 102	4
Table IV – Unit 100, Unit 103, Unit 104 and Ground Floor Lobby	5
Table V – Unit 200	8
Table VI – Unit 201 and 203	9
Table VII – Unit 202	10
Table VIII – Unit 204	11
Table IX – 2 nd Floor Hallway and Washrooms	11
Table X – Basement.....	13
Table XI – Outdoors	15



1.0 INTRODUCTION AND SCOPE

1.1 Statement of Understanding

Pinchin Ltd. (Pinchin) was retained by RSM Canada LLP (Client) as represented by Jeff Berger to conduct an investigation of potential mould growth at 5810 – 5818 Sheppard Avenue East, Toronto, Ontario. This project was managed by Vlada Liashko. The project was undertaken in response to suspect mould growth identified throughout the building due to various leaks.

1.2 Scope of Work

James Widya, Senior Project Technologist, performed the investigation on October 10, 2018. The investigation addressed all accessible areas of the building.

The investigation involved the following activities:

- Review of occupant and management concerns.
- Spot readings of moisture content of building materials.
- Walkthrough inspection for water damage or mould growth.
- Collection and analysis of the following (including reference and field blanks):
 - Eleven spore trap mould air samples
 - Three mould bulk samples

2.0 METHODOLOGY

2.1 Interviews and Inspections

Pinchin interviewed Jeffery Berger, RSM Canada LLP, to discuss the history of the building, maintenance practices, water damage and any indoor air quality complaints.

Pinchin performed a walkthrough inspection for indications of suspect mould growth and/or water damage on accessible building materials, paying particular attention to areas where past water damage had been reported.

Where deemed necessary, the investigator inspected concealed conditions via existing access panels and opening, peeling back baseboards and making intrusive inspection cuts to assess the condition of the wall cavities.

2.2 Test Methods and Criteria

The following table presents the parameters tested in this investigation, recommended limits or interpretation guides, the units of measurement, and the instruments and sampling/analytical methods employed.

Table I – Parameters Tested, Recommended Limits and Instruments or Methods Used

Parameter	Unit of Measurement	Recommended Limit or Guide to Interpretation	Instrumentation or Test Method
Temperature, T	°C	Consider the risk of condensation on cold surfaces to prevent mould growth	Extech RH490
Relative Humidity, RH	%RH	Maintain long term below 80 %, to prevent mould growth ¹	
Moisture in building materials (Note: detects surface moisture only, may not detect deeper moisture)	% Moisture	Threshold for mould growth: ² Drywall, 0.7% Wood materials, 17%	Protimeter® Surveymaster Delmhorst® BD-2100
Airborne mould (spore trap method)	Spores per cubic metre of air	Compare test area to reference areas and outdoors ³ Consider water-damage indicator moulds Reference results of Pinchin Ambient Mould Index (PAMI)	Allergenco-D® sampler, laboratory analysis by Direct Microscope Examination
Mould in bulk, swab, tape-lift samples (DME)	Presence or absence of Mould Growth, to genus, and Light, Moderate or Heavy density ⁴	Current guidelines recommend remediation of all interior mould growth, regardless of species	Direct Microscope Examination with staining

¹ O.A.G. Adan, R.A. Samson (Editors): *Fundamentals of Mold Growth in Indoor Environments and Strategies for Healthy Living*. Wageningen, The Netherlands: Wageningen Academic Publishers, 2011

² Macher, J. (Ed): *Bioaerosols, Assessment and Control*. Cincinnati OH: American Conference of Governmental Industrial Hygienists, 1999.

³ Health Canada: *Fungal Contamination in Public Buildings: Health Effects and Investigation Methods*. Ottawa ON: Health Canada, 2004.

⁴ The density of mould growth is ranked by the Pinchin Environmental Microbiology Laboratory as: Light (covers less than about 10% of specimen); Moderate (covers 10-20% of specimen); or Heavy (covers more than about 20% of specimen).

All air sampling pumps were calibrated before use.

2.3 Laboratory Analysis

The analysis for mould was performed at the Pinchin Environmental Microbiology Laboratory, Mississauga. The Pinchin laboratory is independently accredited to ISO/IEC 17025:2005 for mould and bacteria analysis, by the American Industrial Hygiene Association Laboratory Accreditation Program LLC (AIHA LAP LLC) (Lab ID 158835)⁵ and the Quebec government (Lab ID 495).⁶

The spore trap mould air sample results include a report from the Pinchin Ambient Mould Index database (PAMI) ©. PAMI is a compilation of over 36,000 outdoor spore trap mould air samples analysed in the Pinchin laboratory, since 2006. The database has been analysed by month and region (18 regions across Canada) to report statistical data on means, medians, confidence intervals, etc. As a measure of the ranges in outdoor mould concentrations, the PAMI data can assist in the interpretation of indoor mould air sample results.

3.0 FINDINGS

3.1 Results of Interviews

Jeffery Berger, CSM Canada LLP, reported the following:

- A number of leaks throughout the years have caused damage to the commercial building including, but not limited to an opened vent in Unit 103, a hole in the roof and improper drainage of condensation lines from HVAC units above drywall ceilings.
- The Client's General Contractor has removed impacted wall finishes in a number of units and in common areas throughout the building.

3.2 Facility Description

Table II – Facility Description

Item	Details
Construction Date	1987
Number of Floors	2 storey plus basement

⁵ Accredited by the American Industrial Hygiene Association Laboratory Accreditation Program LLC (AIHA LAP LLC) under the Environmental Microbiology Laboratory Accreditation Program (EMLAP), for Bulk, Surface and Air testing for moulds, *Escherichia coli*, *Legionella* by the ISO 11731 method and for *Legionella pneumophila* by qPCR ISO 12869 method (Lab ID 158835).

⁶ Accredited by the Quebec government under the Programme d'accréditation des laboratoires d'analyses (PALA) program for Air Microbiology – domains 601, 603, 604, 605 606.

Table II – Facility Description

Area of Building	9,000 square feet
Flooring	Ceramic tile, carpet, laminate flooring
Interior Walls	Drywall, wood baseboards, vinyl baseboards
Ceilings	Acoustic lay-in ceiling tiles, drywall

3.3 Results of Inspections and Testing

This section presents the findings of the walkthrough investigation and any tests for mould. Appendix I presents the drawings. The analytical certificates for the mould tests are given in Appendix II.

Pinchin did not have access to Unit 206 and Unit 205 was under construction at the time of the investigation.

No intrusive inspection was permitted in Unit 101 (medical office) and Unit 102 (pharmacy).

Table III – Unit 101 and Unit 102

Temperature	26.4 °C	Extent of Mould Growth	N/A
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	40 ft²



Photo 1 – Wet wall finishes identified in Washroom 1 of Unit 101.



Photo 2 – Wet wall finishes identified in Washroom 1 of Unit 101.

Table III – Unit 101 and Unit 102



Photo 3 – Wet wall finishes identified in Unit 102.

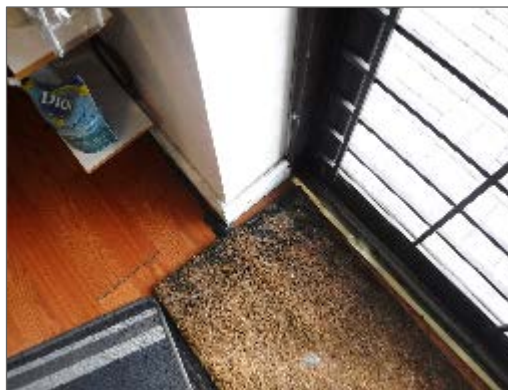


Photo 4 – Wet wall finishes identified in Unit 102.

Moisture Measurements

Material/Location	Results	Material/Location	Results
Drywall/ Unit 101	0.5 – 1.0% -- WET	Drywall/ Unit 102	0.5 – 0.8% -- WET

Sample Log

Sample Type/ Location	Sample No.	Result
Airborne Mould Spore Trap/ Unit 101	2421893	Not Impacted
Airborne Mould Spore Trap/ Unit 102	2421881	Not Impacted

Observations and Comments

Unit 101

Pinchin identified damp to wet wall finishes in the washrooms, and water stained ceiling tiles in the storage room (Drawing 2).

Unit 102

Pinchin identified damp to wet wall finishes on portions of the west, south and east walls (Drawing 3). Access to the walls was limited due to the presence of cabinetry.

Table IV – Unit 100, Unit 103, Unit 104 and Ground Floor Lobby

Temperature	26.4 °C	Extent of Mould Growth	Unit 100 – ~5 ft ² Unit 103 – ~50 ft ² Unit 104 – ~80 ft ² Ground Floor Lobby – ~2 ft ²
-------------	---------	------------------------	--

Table IV – Unit 100, Unit 103, Unit 104 and Ground Floor Lobby

Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	Unit 100 – ~5 ft ² Unit 103 – ~50 ft ² Unit 104 – ~80 ft ² Ground Floor Lobby – ~2 ft ²
-------------------	----------	---	--



Photo 5 – Mould growth on wall finishes along the south wall of Unit 104.



Photo 6 – Mould growth on the wall finishes along the north wall of Unit 103.



Photo 7 – Mould growth on wall finishes along the east wall of Unit 104.



Photo 8 – Mould growth on wall finishes along the north wall of Unit 104.

Table IV – Unit 100, Unit 103, Unit 104 and Ground Floor Lobby

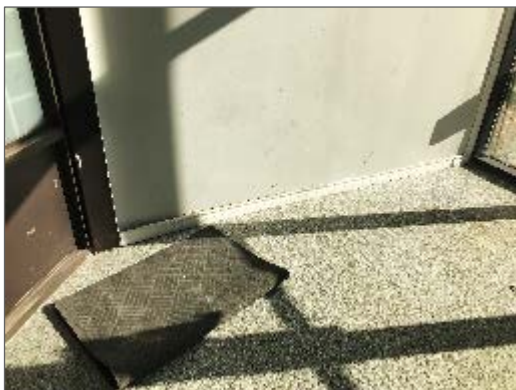


Photo 9 – View of the east wall in the Lobby where mould growth is present.



Photo 10 - Mould growth on wall finishes along the east wall of the Lobby.

Moisture Measurements

Material/ Location	Results	Material/ Location	Results
Drywall/ Unit 100	1.0 – 3.0% -- WET	Drywall/ Unit 103	0.5 – 1.0% -- WET
Drywall/ Unit 104	0.5 – 1.0% -- WET		

Sample Log

Sample Type/Location	Sample No.	Result
Bulk Mould/ Drywall on south wall of Unit 104	MB-02	Mould growth confirmed
Airborne Mould Spore Trap/ Unit 100	2421883	Impacted
Airborne Mould Spore Trap/ Unit 103	2421888	Impacted
Airborne Mould Spore Trap/ Unit 104	2421892	Impacted

Observations and Comments

Unit 100

Pinchin identified wet and mouldy wall finishes on the west wall near the refrigeration units (Drawing 1). The inspector was unable to assess the conditions of the walls behind the refrigerator panels along a section of the west and north walls of the unit. A number of finishes in the electrical room, office and storefront were reported to have been impacted; however, were removed and reinstated prior to Pinchin's arrival.

Unit 103

Pinchin identified wet and mouldy wall finishes on the north wall of the unit (Drawing 4). A majority of the east wall had been removed to full height or to four feet in height due to water damage and mould growth identified previously. Pinchin identified dirt, bird nests remnants and suspect mould growth on the concrete block wall along the east wall.

Table IV – Unit 100, Unit 103, Unit 104 and Ground Floor Lobby

Unit 104

Pinchin identified wet and mouldy wall finishes on the south, east and north walls of the unit (Drawing 5). A minor amount of mould growth was identified on the north side of a demising wall that separated two of the rooms in the unit.

Ground Floor Lobby

Pinchin identified mould growth on the east and south walls of the Ground Floor Lobby behind wood baseboards (Drawing 5).

Table V – Unit 200

Temperature	26.4 °C	Extent of Mould Growth	<10 ft ²
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	<10 ft ²

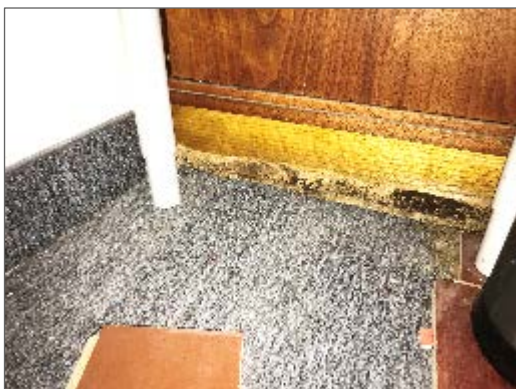


Photo 11 – Mould growth identified on wood shelving in Unit 200.



Photo 12 – Mould growth identified on wall finishes on the east wall inside Unit 200 and on the south wall outside the entrance of Unit 200.

Moisture Measurements

Material/ Location	Results
Drywall/ Unit 200	0.1 – 0.4% -- DRY

Sample Log

Sample Type/Location	Sample No.	Result
Bulk Mould/ Drywall in hallway wall outside Unit 200	MB-01	Mould growth confirmed
Airborne Mould Spore Trap/ Unit 200	2421882	Impacted

Table V – Unit 200

Observations and Comments

Unit 200

Pinchin identified the following (Drawing 6):

- Mould growth on wall finishes along the east wall of the unit
- Mould growth on the south wall of the hallway outside of Unit 200
- Mould growth on the bottom of a wood shelving unit on the southwest corner of Unit 200
- Cracked ceiling in the unit

Table VI – Unit 201 and 203

Temperature	26.4 °C	Extent of Mould Growth	8 ft ²
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	8 ft ²



Photo 13 – Wet wall finishes along the west wall of Unit 201.



Photo 14 – Mould growth identified along the west wall of Unit 203.

Moisture Measurements

Material/ Location	Results	Material/ Location	Results
Drywall/ Unit 201	0.5 – 1.6% -- WET	Drywall/ Unit 203	0.1 – 0.4% -- DRY

Sample Log

Sample Type/Location	Sample No.	Result
Airborne Mould Spore Trap/ Unit 201	2421895	Not impacted

Table VI – Unit 201 and 203

Observations and Comments

Unit 201

Pinchin identified wet wall finishes along the west wall of two offices in the unit (Drawing 7). Water stains were identified on a drywall ceiling in the southeast corner of the unit (Drawing 7).

Unit 203

Pinchin identified mould growth and water damage along the west wall underneath the window of the unit (Drawing 9).

Table VII – Unit 202

Temperature	26.4 °C	Extent of Mould Growth	>10 ft ²
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	>10 ft ²

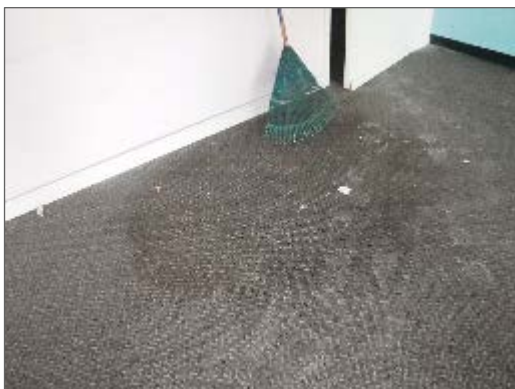


Photo 15 – Water stained carpet on the north side of Unit 202.



Photo 16 – Mould growth identified on the wall finishes along the south wall of Unit 202.

Moisture Measurements

Material/ Location	Results
Drywall/ Unit 202	0.1 – 0.4% -- DRY

Sample Log

Sample Type/Location	Sample No.	Result
Airborne Mould Spore Trap/ Unit 202	2421887	Impacted

Table VII – Unit 202

Observations and Comments

Pinchin identified mould growth on south drywall wall of the unit (Drawing 8). Water stains on the carpet flooring were identified along the south wall and north wall (Drawing 8). A section of drywall, vapour barrier and fibreglass insulation had been removed from the ceiling in the north portion of the unit prior to Pinchin's arrival due to water damage and possible mould growth.

Table VIII – Unit 204

Temperature	26.4 °C	Extent of Mould Growth	~2 ft ²
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	~2 ft ²

Moisture Measurements

Material/ Location	Results
Drywall/ Unit 204	0.1 – 0.4% -- DRY

Sample Log

Sample Type/Location	Sample No.	Result
Airborne Mould Spore Trap/ Unit 204	2421898	Impacted

Observations and Comments

Pinchin identified mould growth on the north wall beside the doorframe visible from the backside (Drawing 10), which was exposed after 2 feet of drywall was removed from the hallway side.

Table IX – 2nd Floor Hallway and Washrooms

Temperature	26.4 °C	Extent of Mould Growth	~80 ft ²
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	~80 ft ²

Table IX – 2nd Floor Hallway and WashroomsPhoto 17 – Rusty metal framing and stained drywall ceiling identified in the 2nd Floor Hallway.Photo 18 – Sections of the wall finishes have been removed to full height in the 2nd Floor Hallway.

Photo 19 – Exposed ceiling exposing stained fiberglass insulation and water damaged drywall.



Photo 20 – Mould growth on drywall on the backside of the Women's Washroom.

Photo 21 – Water damaged drywall ceiling in the 2nd Floor Hallway outside of Unit 202.Photo 22 - Water damaged drywall ceiling in the 2nd Floor Hallway outside of Unit 202.

Table IX – 2nd Floor Hallway and Washrooms

Moisture Measurements

Material/ Location	Results	Material/ Location	Results
2 nd Floor Hallway	0.5 – 2.0% -- WET	Washroom	0.1 – 0.4% -- DRY

Observations and Comments

2nd Floor Hallway

Pinchin identified wet and/or water damaged wall and ceiling finishes in the south portion of the hallway (near the entrances to Unit 201 and 203), where sections of wall and ceiling finishes have already been removed (Drawing 11). Water damaged drywall ceiling finishes were also identified in the hallway outside of Unit 202 (Drawing 8). The majority of the wall finishes in hallway had been removed to at least two feet in height prior to Pinchin's arrival, which included baseboards, drywall, insulation, vapour barrier and replacement of metal tracks.

Washrooms

Pinchin did not have access to the washrooms at the time of the investigation. The contractor informed Pinchin that they were ceramic tiled walls. Mould growth was identified on the backside of drywall of the Women's Washroom that the contractor had tried to clean, which was visible from the hallway (Drawing 11).

Table X – Basement

Temperature	26.4 °C	Extent of Mould Growth	>100 ft ²
Relative Humidity	63.4 %RH	Extent of Water Damage Including Mould Growth	>100 ft ²



Photo 23 – Mould growth on a drywall wall in the northwest room.



Photo 24 - Mould growth on a drywall wall in the northwest room.

Table X – Basement



Photo 25 – Mould growth on the backside of the drywall along the west wall of the east room.



Photo 26 - Mould growth on the backside of the drywall along the west wall of the east room.



Photo 27 – Staining and efflorescence on exposed concrete block wall.

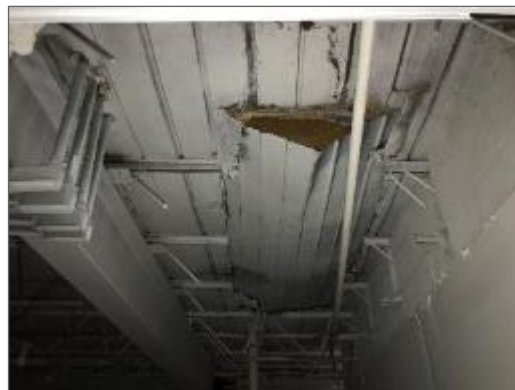


Photo 28 – Damaged metal deck ceiling.

Moisture Measurements

Material/ Location	Results	Material/ Location	Results
Drywall/ Northwest Room	0.5 – 1.0% -- WET	Drywall/ East Room	0.1 – 0.4% -- DRY

Sample Log

Sample Type/Location	Sample No.	Result
Bulk Mould/ Drywall of west wall in Basement	MB-03	Mould growth confirmed

Observations and Comments

Pinchin identified wet and mouldy wall finishes throughout the Basement (Drawing 12). Large sections of drywall walls had been removed and disposed of prior to Pinchin's arrival.

Table XI – Outdoors

Temperature	22°C	
Relative Humidity	65 %RH	
Sample Type/Location	Sample No.	
Mould Air Sample/Outdoor	2421903	
Mould Air Sample/Blank	2421915	

Photo 29 - Exterior of building.

Observations and Comments

Sunny.

4.0 DISCUSSION

4.1 Discussion of Water Damage and Mould Growth

Pinchin identified the following during the investigation:

Basement

- Wet and mouldy wall finishes throughout the basement.
- Pinchin made three intrusive inspection cuts and mould growth was identified on the backside of the drywall in all three locations.
- Some walls had previously been removed prior to Pinchin's investigation.
- Efflorescence and staining were present on the visible concrete block walls.
- A section of the metal deck ceiling had been cut out and had been temporarily patched with a new sheet of metal.

Unit 100

- Wet and mouldy wall finishes on the west wall near the refrigeration unit. Pinchin was unable to assess the conditions of the walls behind the refrigerator panels along a section of the west and north walls of the unit. A number of finishes in the electrical room, office and storefront were reported to have been mouldy and water damaged; however, were removed and reinstated prior to Pinchin's arrival.

Unit 101

- Damp to wet wall finishes in the washrooms and water stained ceiling tiles were identified in the storage room. Pinchin was unable to make intrusive inspections cuts or pull back baseboards in this unit. Due to the presence of wet wall finishes, concealed mould growth is likely.

Unit 102

- Damp to wet wall finishes on portions of the west, south and east walls. Pinchin was unable to make any intrusive inspections cuts or pull back baseboards in this unit and had limited access to the north and west wall due to the presence of cabinetry. Due to the presence of wet wall finishes, concealed mould growth is likely.

Unit 103

- Wet and mouldy wall finishes on the north wall of the unit. The majority of the east wall had been removed to full height or to four feet in height due to the presence of water damage and mould growth. Pinchin identified dirt, bird nests remnants and possible mould growth on the concrete block wall along the east wall.
- One inspection cut was made on the west wall; however, concealed mould growth was not identified.

Unit 104

- Wet and mouldy wall finishes on the south, east and north walls of the unit. A small amount of mould growth was identified on the north side of a demising wall that separate two of the rooms in the unit. Multiple layers of wall finishes were identified on the south wall (drywall, plywood, drywall).
- Pinchin made three inspection cuts and identified mould growth on the backside of the drywall walls in all three locations.

Ground Floor Lobby

- Mould growth on the east wall of the Ground Floor Lobby behind wood baseboards.

Unit 200

- Mould growth on wall finishes along the east wall of the unit and on the south wall of the hallway outside of Unit 200.
- Mould growth on the bottom of a wood shelving unit was also identified on the southwest corner of Unit 200.



- Cracks were also observed on the drywall ceiling in the unit.
- Sections of the composite flooring had been missing and Pinchin noted carpet below. It is recommended that the carpet is lifted in various locations where the mould growth was identified to check for concealed mould growth, wet conditions or water damage.

Unit 201

- Wet wall finishes and stained wooden baseboards along the west wall below the windows.
- Water stains were identified on a drywall ceiling in the southeast corner of the unit. Pinchin was unable to see the backside of the stained drywall ceiling to check for mould growth.

Unit 202

- Mould growth on south and east walls of the unit.
- Water stains on the carpet flooring along the south wall and north walls.
- A section of drywall, vapour barrier and fibreglass insulation had been removed from the ceiling in the north portion of the unit prior to Pinchin's arrival due to water damage and possible mould growth.
- Water damaged drywall ceiling was identified in the hallway outside of Unit 202.
- Pinchin made an inspection cut in the south wall, mould growth was identified on the backside of the drywall wall.

Unit 203

- Mould growth and water damage along the west wall underneath the window of the unit.

Unit 204

- Mould growth on the north wall beside the doorframe visible from the backside, which was exposed after two feet of drywall was removed from the hallway side.

2nd Floor Hallway

- Wet and/or water damaged wall and ceiling finishes (including insulation) in the south portion of the hallway (near the entrances to Unit 201 and 203). Water damaged drywall ceiling finishes were also identified in the hallway outside of Unit 202.
- Mould growth was identified on drywall in the hallway outside of the janitor's closet.



- Drywall had been removed on the walls in some areas to full height or a height of two feet.

2nd Floor Washrooms

- Mould growth on the backside of drywall of the Women's Washroom which was visible from the hallway. Pinchin did not have access inside of the washroom; however, it was reported to Pinchin that the walls were covered with ceramic tile. Further intrusive investigation is recommended.

The mould air sampling in Units 100, 103, 104, 200, 202 and 204 identified the presence of *Stachybotrys* and *Chaetomium* mould spores. This suggests that the mould growth identified was impacting the indoor spore concentrations in these units.

The mould air sample results from the samples collected in Units 101, 102 and 201 were lower in spore concentration and similar in spore composition when compared to the outdoor reference sample. These suggest that the indoor spore concentration was not being impacted by mould growth at the time of testing in these units.

The mould growth, wet materials and water damage identified in this investigation were likely caused by a number of issues, including but not limited to, roof leaks, which has since been repaired, vent ducts that would not close, penetrations through the building envelope, condensate lines of HVAC units detached in the ceiling space and condensation from refrigeration panels. A building envelope investigation is recommended to address the water infiltration issues in the building. Pinchin's Building Science and Sustainability Group can perform this investigation if requested.

During remediation work, it is recommended that further intrusive investigation occurs above ceiling and in areas where access was limited. Due to the amount of mould growth identified, additional concealed mould growth is likely.

As per the age of the building reported to Pinchin by the Client, 1987, the drywall joint compound on drywall is not expected to contain asbestos. However, other asbestos-containing materials may be present on site and if any suspect material is identified during the remediation work, stop work and have samples collected to confirm whether or not it is asbestos-containing.



4.2 Mould Remediation and Inspection

Mould growth in buildings can be a risk factor for adverse health effects.⁷ The mould growth found in this investigation should be remediated as soon as possible following currently accepted procedures. Pinchin recommends that mould remediation follow the procedures set by the Environmental Abatement Council of Ontario (EACO).⁸ The work should be performed by a contractor with appropriate training, experience and insurance coverage. Ensure that remaining building materials are dry prior to reinstating mould-susceptible finishes, to prevent future mould growth.

Pinchin would be pleased to provide project management services to develop a remediation work plan and retain a specialized environmental abatement contractor. Pinchin could conduct a competitive bidding process to achieve the lowest possible price for the work. Proceeding in this manner will relieve the Client from taking on regulatory responsibility for contractor health and safety, and will reduce the risk of poor contractor performance and possible cross-contamination. Pinchin recommends that the Client retain services for project management, as well as for inspection and testing of this project. Health Canada and other authorities recommend independent inspection of medium and large scale mould remediation, to protect the occupants and building from cross-contamination.

4.3 Communication and Interim Risk Management

The findings of this report should be communicated to the occupants as recommended by current mould guidelines, and in workplaces, as mandated by occupational health and safety legislation. The Client should consider any interim risk management actions that would be appropriate under the circumstances, until the mould growth can be remediated. Interim risk management might include isolating an area of the building, or relocating persons experiencing adverse health effects or with greater sensitivity to mould.

5.0 RECOMMENDATIONS

Pinchin offers the following recommendations to address any mould growth or other microbial contamination found. Pinchin would be pleased to assist with further investigations indicated by this investigation, make recommendations for remediation contractors, and provide services for the planning and inspection of the recommended remediation work.

1. Communicate the findings of this report as required.
2. Consider any necessary steps for interim risk management.

⁷ US Environmental Protection Agency: *Mold Remediation in Schools and Commercial Buildings*. US EPA. 2001.

⁸ Environmental Abatement Council of Ontario: *Mould Abatement Guidelines*. Toronto, ON: EACO, 2004 (revised 2015).



3. Perform a building envelope investigation to identify sources of water infiltration in the building, and make repairs as required.
4. Ensure all leak sources have been repaired prior to reinstatement of new building finishes.
5. Consider performing a full Designated Substance Survey to identify Hazardous Building Materials on site.
6. Conduct further intrusive investigation in the Men's and Women's Washrooms on the 2nd Floor and in Unit 206, and in any areas where access was limited or where intrusive investigation could not occur during the investigation.
7. Arrange for the preparation of a detailed Scope of Work for the mould remediation and finalize an inspection and oversight plan.
8. Arrange for the following mould remediation, following EACO Level 1 methods as shown in the attached Drawings:
 - a. Unit 100
 - i. Remove and dispose of mouldy and wet wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of two feet and one foot past any mouldy growth or wet conditions near the refrigeration unit. Note: if additional mould growth is identified behind contents along the south and east walls in Unit 100, contact Pinchin for additional instructions.
 - ii. Remove a refrigeration panel or make an inspection cut from the adjacent wall to inspect the condition of the wall and wall cavity along the north wall. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions. If less than ten square feet of mould growth is identified, remove and dispose of following EACO Level 1 methods.
 - b. Unit 200
 - i. Remove and dispose of the mouldy wood shelving in the unit. Inspect the drywall walls in behind. If mould growth is identified, and is less than ten square feet remove and dispose of following EACO Level 1 methods. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions.



- ii. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet and one foot past any visible mould growth.
 - iii. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet in the hallway outside of Unit 200.
 - iv. Remove and dispose of the water damaged and cracked drywall ceiling. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions.
- c. Unit 201
 - i. Remove and dispose of the wet wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of one foot and one foot past any wet conditions.
 - ii. Remove and dispose of the water damaged drywall ceiling to one foot beyond any visible water damage or mould growth. If more than ten square feet of mould growth is identified, contact Pinchin for additional instructions.
- d. Unit 203
 - i. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of one foot and one foot past any mould growth.
- e. Unit 204
 - i. Remove and dispose of the mouldy wall finishes (including but not limited to baseboard and drywall) to a height of one foot and one foot past any mould growth.
 - ii. Remove and dispose of mouldy wall finishes outside the Janitor's Closet (including but not limited to baseboard and drywall) to a height of one foot.
- f. 2nd Floor Washrooms
 - i. Remove and dispose of the south wall finishes (including but not limited to ceramic tile and drywall) to a height of two feet and one foot past any mould growth in the Women's Washroom.



- ii. Make inspection cuts on remaining walls in the Men's and Women's Washrooms to ensure no additional mould growth is identified behind ceramic tile wall finishes. If additional mould growth is identified, remove and dispose of following the appropriate mould procedures.
- 9. Arrange for the following mould remediation, following EACO Level 1 methods in conjunction with Infection Control Preventative Measure IV procedures, as shown in the attached Drawings 2 and 3:
 - a. Unit 101
 - i. Remove and dispose of wet wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet, in both Washrooms.
 - ii. Remove and dispose of water stained ceiling tiles in the Storage Room.
 - b. Unit 102
 - i. Remove and dispose of wet wall finishes (including but not limited to baseboard, drywall and insulation) to a height of two feet and one foot past any wet conditions.
- 10. Arrange for the following mould remediation, following EACO Level 2 methods as shown in the attached Drawings:
 - a. Unit 103
 - i. Remove and dispose of the mouldy and wet wall finishes (including but not limited to baseboard, drywall and insulation) to a height of four feet and one foot past any visible mould growth. Wire brush and clean concrete block wall along the east wall.
 - b. Unit 104
 - i. Remove and dispose of the mouldy and wet wall finishes (including but not limited to baseboard, drywall, plywood, insulation and vapour barrier) to a height of four feet and one foot past any visible mould growth.
 - c. Unit 202
 - i. Remove and dispose of the mould wall finishes (including but not limited to baseboard, drywall, insulation and vapour barrier) to a height of four feet and one foot past any visible mould growth.
 - ii. Lift and inspect the backside of the stained carpeting. If mould growth is identified, remove and dispose of carpeting.



- d. 2nd Floor Hallway
 - i. Remove and dispose of the water damaged drywall ceiling finishes (including but not limited to drywall, vapour barrier and insulation) to one foot past any visible mould growth or water damage. Wire brush and clean any mouldy or stained wooden joist in the ceiling space after drywall has been removed.
 - ii. Remove and dispose of water damaged wall finishes (including but not limited to drywall, insulation and vapour barrier) to full height and one foot past any wet conditions in the south section of the Hallway.
- 11. Arrange for the following mould remediation, following EACO Level 3 methods as shown in the attached Drawings:
 - a. Remove and dispose of the mouldy and wet wall finishes (including but not limited to drywall, insulation and vapour barrier) to full height throughout the Basement.
- 12. Finalize an inspection and testing plan to document the mould remediation. To confirm, Pinchin will perform inspections at the following stages:
 - a. Clean Site Preparation
 - b. Post-Remediation Inspection
 - c. Post-Remediation Air Sampling
- 13. Clean the floors, other building surfaces, furnishings and contents in areas immediately adjacent to the remediation work areas, following normal custodial practices.

6.0 TERMS AND LIMITATIONS

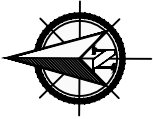
This work was performed subject to the Terms and Limitations presented or referenced in the proposal for this project.

Information provided by Pinchin is intended for Client use only. Pinchin will not provide results or information to any party unless disclosure by Pinchin is required by law. Any use by a third party of reports or documents authored by Pinchin or any reliance by a third party on or decisions made by a third party based on the findings described in said documents, is the sole responsibility of such third parties. Pinchin accepts no responsibility for damages suffered by any third party as a result of decisions made or actions conducted. No other warranties are implied or expressed.

J:\230000s\0230382.000 RSMCanada,5810-5818SheppardE,Scarbr,MLD\Deliverables\230382 Mould Report 5810-5818 Sheppard Ave E Toronto RMS Canada, October 22, 2018.docx

Template: Master Mould Investigation Report, IEQ, April 13, 2018

APPENDIX I
Drawings



LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- NO ACCESS
- SPORE TRAP MOULD AIR SAMPLE
- INTRUSIVE INSPECTION
- WATER STAINED CEILING TILE
- MOULDY CONTENTS
- CRACKED CEILING
- WATER STAINED CARPET
- WATER DAMAGED DRYWALL CEILING
- DEBRIS ON CONCRETE BLOCK WALL

CLIENT: RSM CANADA LLP

LOCATION:
5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE: MOULD INVESTIGATION
UNIT 101

DATE: 2018/10/15
PROJECT #: 0230382

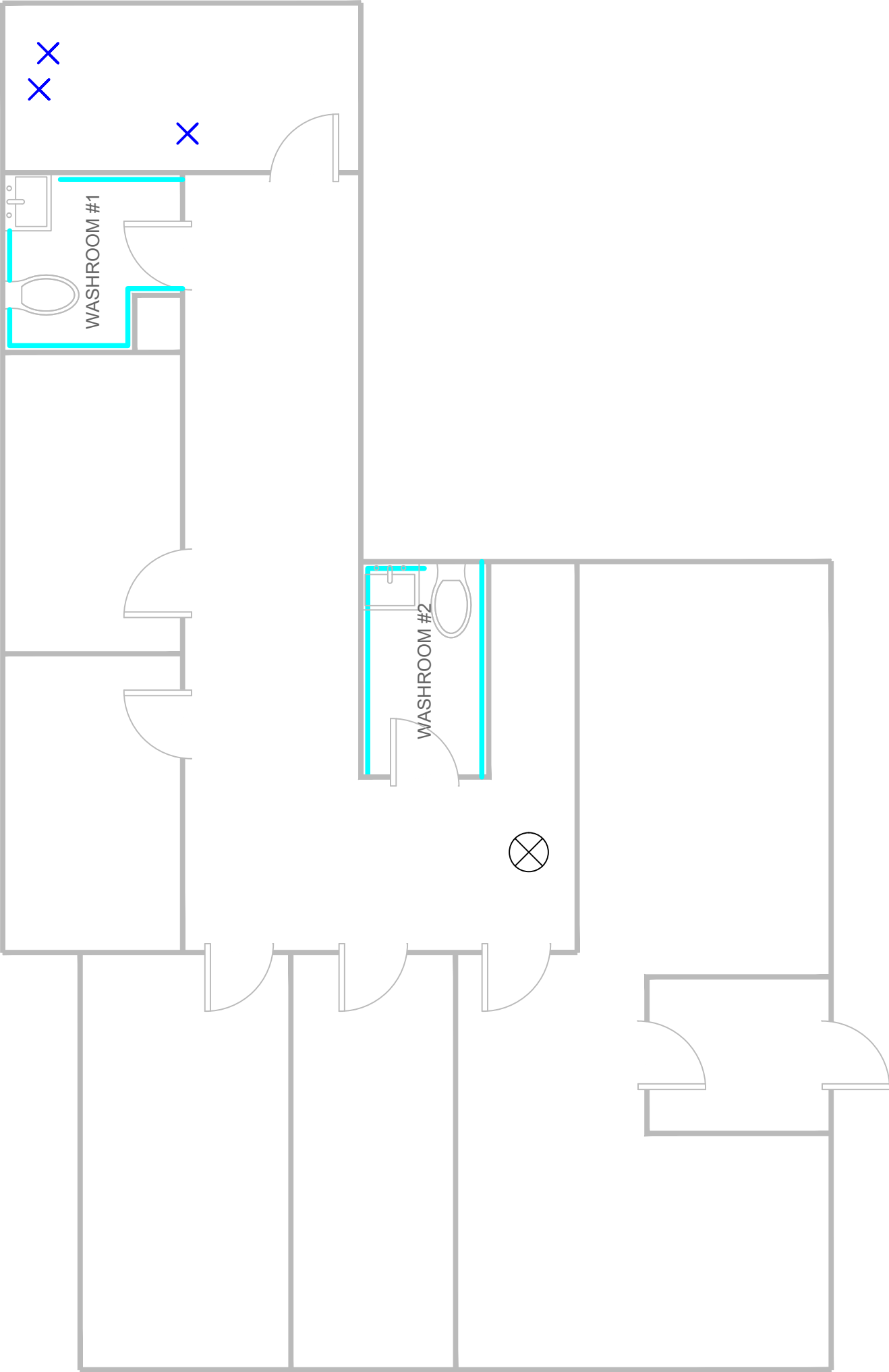
DRAWN BY: AV

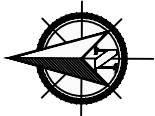
CHECKED BY: JW

SCALE: NTS

DRAWING:

2-12





LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- NO ACCESS
- SPORE TRAP MOULD AIR SAMPLE
- INTRUSIVE INSPECTION
- WATER STAINED CEILING TILE
- MOULDY CONTENTS
- CRACKED CEILING
- WATER STAINED CARPET
- WATER DAMAGED DRYWALL CEILING
- DEBRIS ON CONCRETE BLOCK WALL

CLIENT:

RSM CANADA LLP

LOCATION:

5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE:

MOULD INVESTIGATION

UNIT 102

DATE:

2018/10/15

PROJECT # :

0230382

DRAWN BY:

AV

DRAWING:

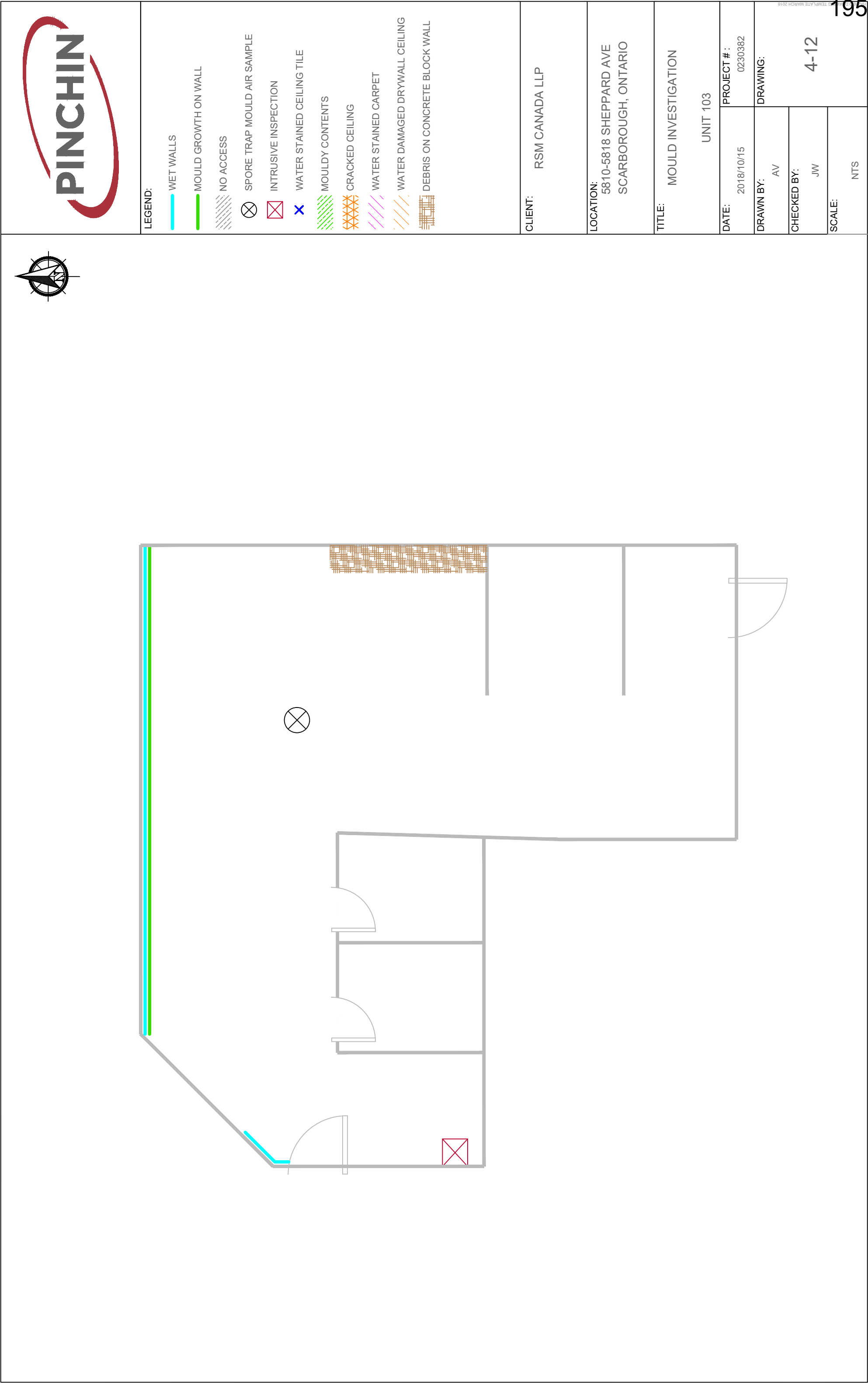
CHECKED BY:

JW









SCALE:

NTS

3-12



LEGEND:

	WET WALLS
	MOULD GROWTH ON WALL
	NO ACCESS
	SPORE TRAP MOULD AIR SAMPLE
	INTRUSIVE INSPECTION
	WATER STAINED CEILING TILE
	MOULDY CONTENTS
	CRACKED CEILING
	WATER STAINED CARPET
	WATER DAMAGED DRYWALL CEILING
	DEBRIS ON CONCRETE BLOCK WALL

WET WALLS

— MOULD GROWTH ON WALL

NO ACCESS

⊗ SPORE TRAP MOULD AIR SAMPLE

☒ INTRUSIVE INSPECTION

X WATER STAINED CEILING TILE

MOULDY CONTENTS

CRACKED CEILING

WATER STAINED CARPET

WATER DAMAGED DRYWALL CEILING



DEBRIS ON CONCRETE BLOCK WALL

CLIENT: RSM CANADA LLP

CLIENT: RSM CANADA LLP

LOCATION: 5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

5810-5818 SHEPPARD AVE

SCARBOROUGH, ONTARIO

TITLE: MOULD INVESTIGATION

UNIT 103

MOULD INVESTIGATION

UNIT 103

DATE:	2018/10/15	PROJECT #:	0230382
DRAWN BY:	AV	DRAWING:	

2018/10/15	0230382
------------	---------

DRAWN BY: AV
 CHECKED BY: JW
 4-12
 DRAWING:

AV

CHECKED BY:

4-12 JW

SCALE:

NTS

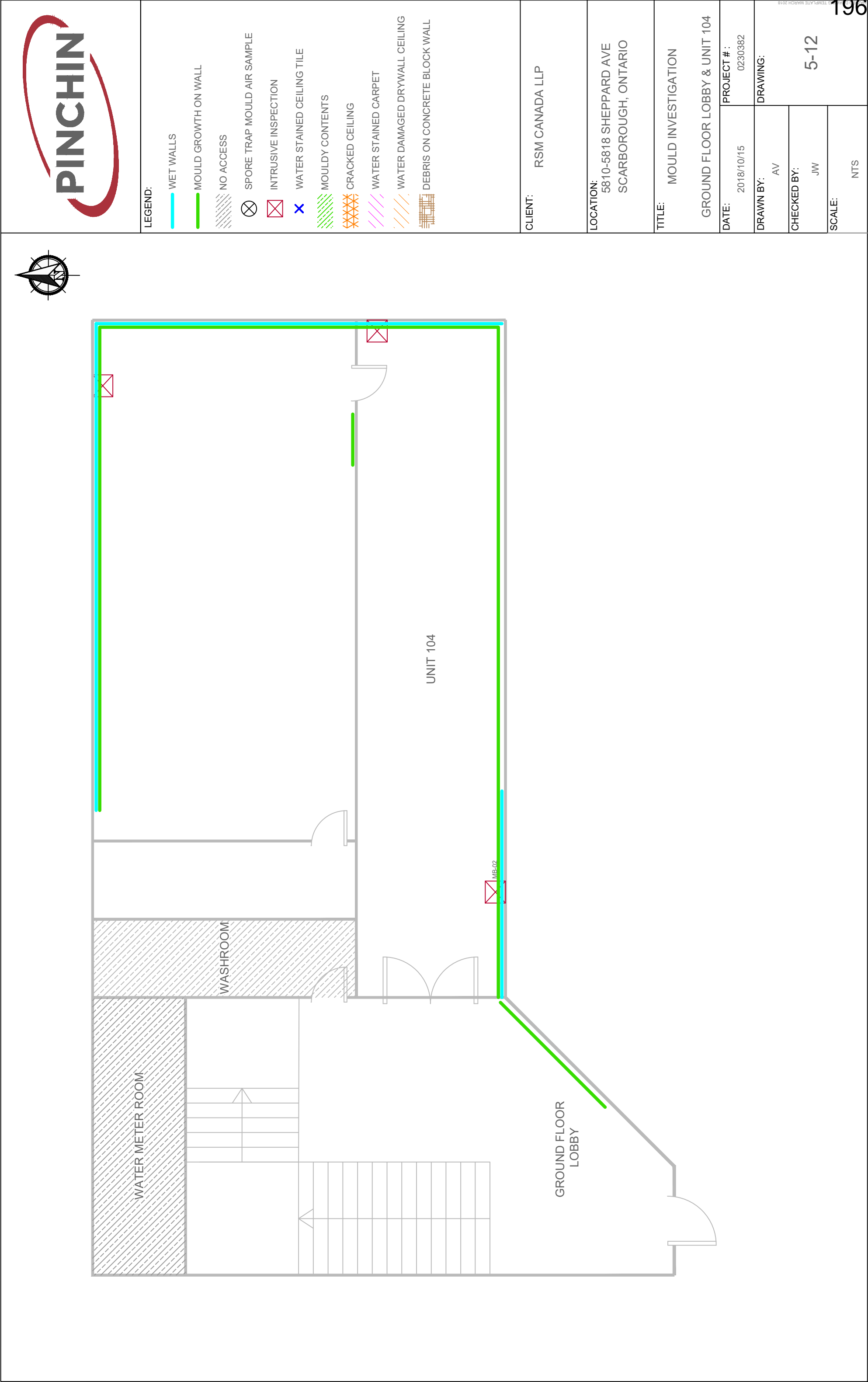
DRAWN BY: AV	4-12	DRAWING:
CHECKED BY: JW		
SCALE: NTS		

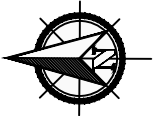
DRAWN BY:	DRAWING:
-----------	----------

JW

4-12

SCALE: 195





LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- ▨ NO ACCESS
- ⊗ SPORE TRAP MOULD AIR SAMPLE
- ⊗ INTRUSIVE INSPECTION
- × WATER STAINED CEILING TILE
- ▨ MOULDY CONTENTS
- ▨ CRACKED CEILING
- ▨ WATER STAINED CARPET
- ▨ WATER DAMAGED DRYWALL CEILING
- ▨ DEBRIS ON CONCRETE BLOCK WALL

CLIENT: RSM CANADA LLP

LOCATION:
5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE: MOULD INVESTIGATION

UNIT 200

DATE: 2018/10/15
PROJECT # : 0230382

DRAWN BY: AV
DRAWING:

CHECKED BY: JW

SCALE: NTS

6-12





LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- NO ACCESS
- SPORE TRAP MOULD AIR SAMPLE
- INTRUSIVE INSPECTION
- WATER STAINED CEILING TILE
- MOULDY CONTENTS
- CRACKED CEILING
- WATER STAINED CARPET
- WATER DAMAGED DRYWALL CEILING
- DEBRIS ON CONCRETE BLOCK WALL

CLIENT:

RSM CANADA LLP

LOCATION:

5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE:

MOULD INVESTIGATION

UNIT 201

DATE:

2018/10/15

PROJECT # :

0230382

DRAWN BY:

AV

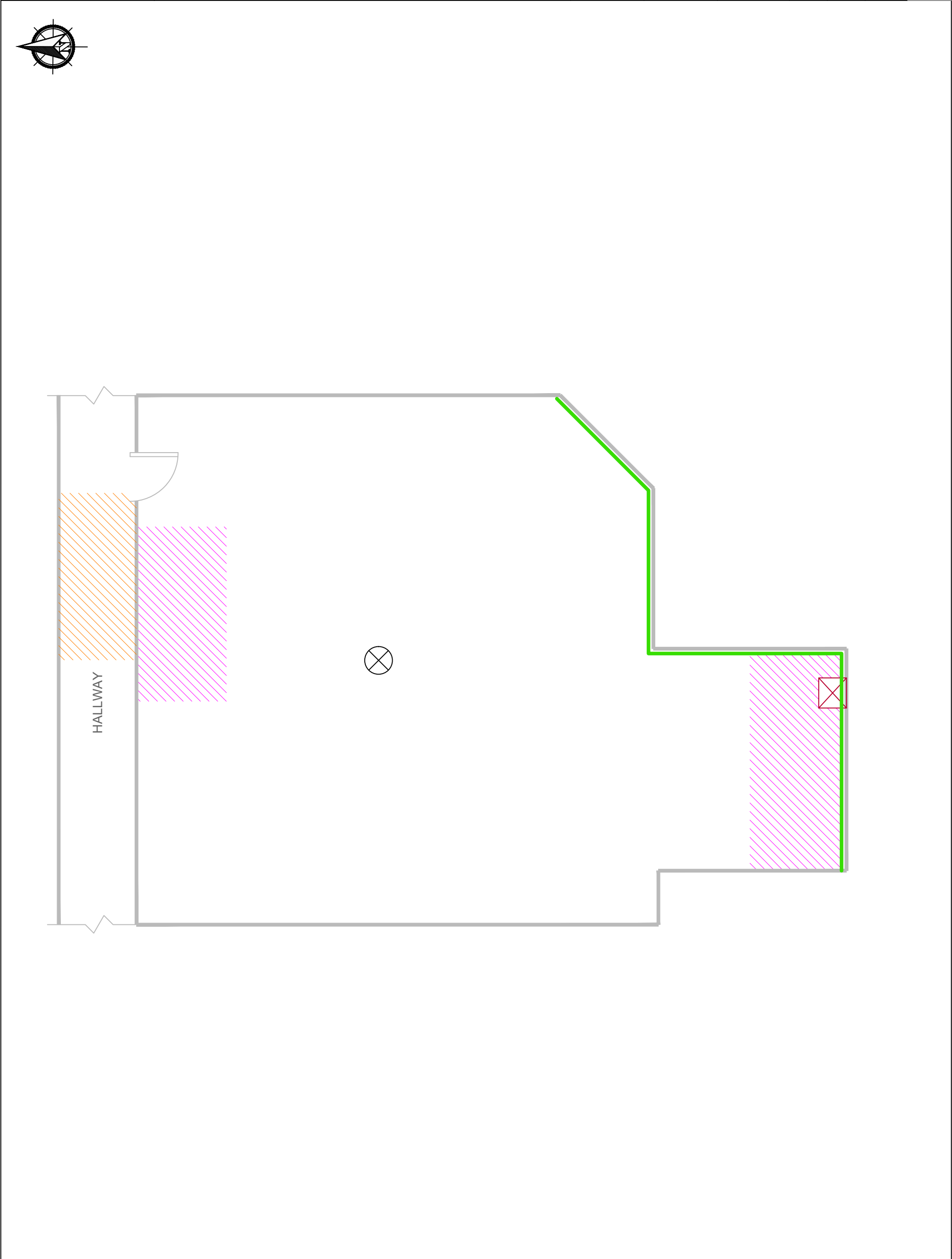
DRAWING:

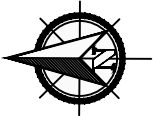
CHECKED BY:

JW

SCALE:

NTS





LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- ▨ NO ACCESS
- ⊗ SPORE TRAP MOULD AIR SAMPLE
- ⊠ INTRUSIVE INSPECTION
- × WATER STAINED CEILING TILE
- ▨ MOULDY CONTENTS
- ⊠ CRACKED CEILING
- ▨ WATER STAINED CARPET
- ▨ WATER DAMAGED DRYWALL CEILING
- ▨ DEBRIS ON CONCRETE BLOCK WALL

CLIENT: RSM CANADA LLP

LOCATION:
5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE: MOULD INVESTIGATION

UNIT 203

DATE: 2018/10/15
PROJECT # : 0230382

DRAWN BY: AV
DRAWING:

CHECKED BY: JW

SCALE: NTS



LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- NO ACCESS
- SPORE TRAP MOULD AIR SAMPLE
- INTRUSIVE INSPECTION
- WATER STAINED CEILING TILE
- MOULDY CONTENTS
- CRACKED CEILING
- WATER STAINED CARPET
- WATER DAMAGED DRYWALL CEILING
- DEBRIS ON CONCRETE BLOCK WALL

CLIENT:

RSM CANADA LLP

LOCATION:

5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE:

MOULD INVESTIGATION

UNIT 204

DATE:

2018/10/15

PROJECT # :

0230382

DRAWN BY:

AV

DRAWING:

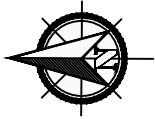
CHECKED BY:

JW

SCALE:

NTS

10-12



LEGEND:

- WET WALLS
- MOULD GROWTH ON WALL
- NO ACCESS
- SPORE TRAP MOULD AIR SAMPLE
- INTRUSIVE INSPECTION
- WATER STAINED CEILING TILE
- MOULDY CONTENTS
- CRACKED CEILING
- WATER STAINED CARPET
- WATER DAMAGED DRYWALL CEILING
- DEBRIS ON CONCRETE BLOCK WALL

CLIENT: RSM CANADA LLP

LOCATION:
5810-5818 SHEPPARD AVE
SCARBOROUGH, ONTARIO

TITLE: MOULD INVESTIGATION
BASEMENT

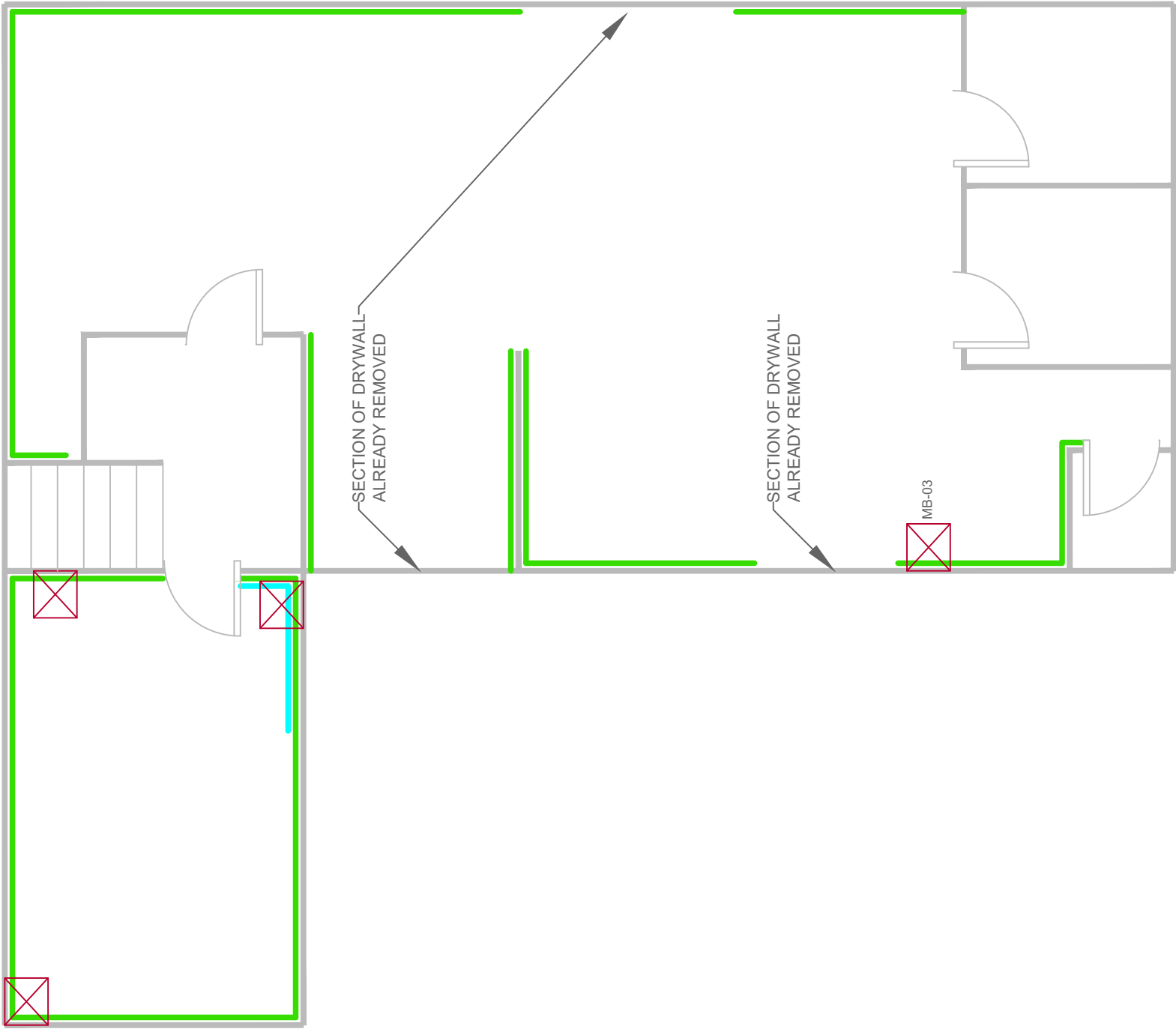
DATE: 2018/10/15
PROJECT #: 0230382

DRAWN BY: AV
DRAWING:

CHECKED BY: JW

SCALE: NTS

12-12



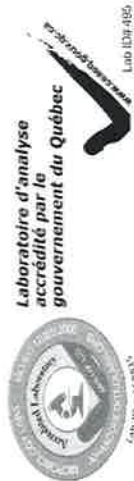
APPENDIX II
Results of Mould Tests



2470 Milltower Court
Mississauga, ON L5N 7W5
Tel: (905) 363-0678
Fax: (905) 363-0681

Certificate of Analysis

Pinchin Environmental Microbiology Laboratory



CUSTOMER: Alex Virag, James Widiya,
Viada Liashko
COMPANY: Pinchin Ltd.
ADDRESS: 2470 Milltower Crt.
Mississauga, ON L5N 7W5

PROJECT NAME: Mould Investigation, 5810-5818 Sheppard Ave, Scarborough, ON
TYPE OF SAMPLES: AllergencoD
NO. OF SAMPLES: 11
DATE COLLECTED: October 10, 2018
DATE RECEIVED: October 11, 2018
DATE ANALYSED: October 11, 2018
DATE REPORTED: October 11, 2018

PROJECT NO: 230382

LAB REFERENCE NO: m198560

ANALYST: Nina Tran, B.Sc.

Environmental Microbiologist

REVIEWER:

Inesa Liashko B. Eng.
Environmental Microbiologist

CONDITION OF SAMPLES ON RECEIPT: Acceptable

Method of Analysis: Analysis of Air Samples for Fungal Spores (SOP: DME-SPT-010, Rev 10, January 31, 2017)

This SOP is based on the method described in the AIHA's "Field Guide for the Determination of Biological Contaminants in the Environmental Samples" and also partially on the ASTM method D7391-09. The cassette slide with the trace (area impacted with air) facing upwards is fixed on a clean microscope slide. It is stained with lactophenol cotton blue or lactofuscin, and then scanned under low power magnification to locate the trace and to give the analyst an idea of the diversity of the spores. The final analysis is performed at X630/X600 magnification by counting the different spores along a number of traverses or fields of view to cover at least 25% of the sample. A lower percentage of the sample is counted if it is overloaded. Raw counts are converted to spores/m³ of air. Counts of fungal fragments and pollens are not computed in the total. Spores lacking unique characteristics for identification are reported as "Unidentified spores". Spores showing features of specific groups are recorded under the respective groups such as "Unidentified Basidiospores or Unidentified Ascospores". Spores occurring in chains are counted individually. Spores of *Aspergillus* and *Penicillium* (and others such as *Acremonium*, *Paecilomyces*) are indistinguishable.

A scale of 0 to 5 is used to rate abundance of non-fungal material, with 5 indicating the largest amount. Large amounts of non-fungal material may obscure small spores. Therefore, counts from samples with 4-5 non-fungal material may be treated as undercounts. Except for blanks, samples with no detected spores are recorded as "less than the detection limit" (DL). Results are not corrected for blanks. Estimation of the measurement of uncertainty is available upon request.

Comments/Observations (if any):

- Notes:**
1. The result(s) relate only to the sample(s) tested.
 2. This test report shall not be reproduced except in full, without written approval of the laboratory.
 3. Services are subject to Pinchin Ltd. Standard Terms and Conditions for Laboratory Services.



2470 Milltower Court
Mississauga, ON L5N 7W5
Tel: (905) 363-0678
Fax: (905) 363-0681

Certificate of Analysis

Pinchin Environmental Microbiology Laboratory



Laboratoire d'analyse
accrédité par le
gouvernement du Québec

Lab ID# 496

DATE ANALYSED:

October 11, 2018

ANALYST: Nina Tran, B.Sc.

PROJECT NO: 230382

LAB REFERENCE NO: m198560

Customer Sample No:	2421915	2421903	2421883	2421888	2421898	2421892	2421882
Lab Sample ID:	m198560-1	m198560-2	m198560-3	m198560-4	m198560-5	m198560-6	m198560-7
Description	Blank	Outdoor	Unit 100	Unit 103	Unit 204	Unit 104	Unit 200
Total Air Volume (L)	N/A	150	150	150	150	150	150
% of Sample Counted	25.4	11.6	25.4	25.4	18.5	25.4	9.3
Fungal spores identified	raw ct. %	raw ct. %	raw ct. %	raw ct. %	raw ct. %	raw ct. %	raw ct. %
<i>Alternaria</i>	6 1	350		3 1	0 36	1 1	26
Ascomycetes non-specified	8 2	460	15 3	7 2	12 2	5 3	130
Aspergillus/ Penicillium-like	9 2	520	1 0	14 4	6 1	7 4	180
Basidiospores non-specified	435 84	25000	458 88	226 63	421 78	145 79	3800
<i>Botrytis</i>							15 3
<i>Cercospora</i>					2 0		
<i>Chaetomium</i>				3 1	7 1	3 2	493 89
<i>Cladosporium</i>	25 5	1400	26 5	92 26	60 11	20 11	520
<i>Coprinus</i>	12 2	690	12 2		14 3		
Drechslera/Bipolaris Group							
<i>Epicoccum</i>					1 0	1 1	26
<i>Fusarium</i>							
<i>Ganoderma</i>	8 2	460	6 1	4 1	14 3		2 0
Non-specified spores	10 2	580		1 0			140
<i>Oidium</i>							
Periconia/Myxomycetes	3 1	170	1 0	1 0			
<i>Pithomyces</i>							
<i>Polythrincium</i>							
Rusts							
<i>Stachybotrys</i>				7 2		1 1	26
<i>Ulocladium</i>							
Pollens							
Fungal fragments	1 58		2 52	2 52	6 220	3 79	175 13000
Non-fungal material	3 3		3 3	4 4	3 3	3 3	3 3
Spores/sample	516		520	358	538	183	556
TOTAL SPORES/M ³	No fungal spores	30000	14000	9400	19000	4800	41000
D.L. (SPORES/M ³)		58	26	26	36	26	72

Note: 1. Samples analysed at 630X or 600X magnification.

3. Total spores/m³ and counts/m³ reported to two significant figures where applicable

2. D.L. = Detection Limit



2470 Milltower Court
Mississauga, ON L5N 7W5
Tel: (905) 363-0678
Fax: (905) 363-0681

Certificate of Analysis

Pinchin Environmental Microbiology Laboratory



Laboratoire d'analyse
accrédité par le
gouvernement du Québec
Lab ID# 495

DATE ANALYSED:

October 11, 2018

ANALYST: Nina Tran, B.Sc.

NA

PROJECT NO: 230382

LAB REFERENCE NO: m198560

Customer Sample No:	2421895	2421893	2421881	2421887		
Lab Sample ID:	m198560-8	m198560-9	m198560-10	m198560-11		
Description	Unit 201	Unit 101	Unit 102	Unit 202		
Total Air Volume (L)	150	150	150	150		
% of Sample Counted	25.4	25.4	25.4	16.2		
Fungal spores identified						
<i>Alternaria</i>	raw ct. 2 % 3	raw ct. 3 % 6	raw ct. 1 % 0	raw ct. 17 % 3	raw ct. 17 % 3	raw ct. 17 % 3
Ascomycetes non-specified	3 5 79	3 6 79	16 4 420	17 3 700		
Aspergillus/ Penicillium-like	9 15 240	6 12 160	26 6 680	7 1 290		
Basidiospores non-specified	42 71 1100	36 72 940	385 86 10000	417 83 17000		
<i>Botrytis</i>						
<i>Cercospora</i>						
<i>Chaetomium</i>						
<i>Cladosporium</i>	2 3 52	2 4 52	9 2 240	5 1 210		
<i>Coprinus</i>	1 2 26	1 2 26	6 1 160	21 4 870		
Drechslera/Bipolaris Group				15 3 620		
<i>Epicoccum</i>						
<i>Fusarium</i>						
<i>Ganoderma</i>	1 2 26	6 1 160		5 1 210		
Non-specified spores	1 2 26			1 0 41		
<i>Oidium</i>						
<i>Periconia/Myxomycetes</i>				2 0 82		
<i>Pithomyces</i>						
<i>Polythrincium</i>						
Rusts						
<i>Stachybotrys</i>				14 3 580		
<i>Ulocladium</i>						
Pollens						
Fungal fragments	2 52	26		2 82		
Non-fungal material	3 4		3	4		
Spores/sample	59	50	449	504		
TOTAL SPORES/M ³	1500	1300	12000	21000		
D.L. (SPORES/M ³)	26	26	26	41		

Note: 1. Samples analysed at 630X or 600X magnification.
2. D.L. = Detection Limit
3. Total spores/m³ and counts/m³ reported to two significant figures where applicable



2470 Milltower Court
Mississauga, ON L5N 7W5
tel: 905.363.0678 fax: 905.363.0681
1.855.PINCHIN www.pinchin.com

Environmental Microbiology Laboratory
Chain of Custody Form

m19856208

REPORT RESULTS TO	Contact: Alex Virag, James Widya, Vlada Liashko PM ✓	Dept: IEQ
	Company: Pinchin Ltd.	Tel: 905.699.1074 Fax:
	Mailing Address: 2470 Milltower Court	Email: avirag@pinchin.com , jwidya@pinchin.com
	City: Mississauga Prov: ON Postal Code: L5N7W5	Customer Job / P.O. #: 0230382.000
Special Instructions:		Project: Mould Investigation, 5810-5818 Sheppard Ave, Scarborough, ON ✓
Report Language: English <input checked="" type="checkbox"/> French <input type="checkbox"/>	No. Samples Submitted: 11 ✓	Invoice To:

ANALYSIS TYPES

1. Total Fungal Particulate (Spore count and Identification)	5. Bacteria (Quantification/Gram staining)
2. Direct Microscope Examination (Fungal)	6. Heterotrophic Plate Counts (HPC)
3. Direct Microscope Examination (Particulate): a. Quantitative b. Qualitative	7. E.coli/Total Coliforms
4. Fungal Quantification & Identification (Anderson/RCS)	8. Other: _____

Sample#	Description	Analysis Requested (e.g. 3a)	Date Sampled	Vol (L) or Area (cm ²)	TAT		FOR LAB USE ONLY LAB #
					REG.	RUSH	
2421915 ✓	Blank ✓	1 ✓	10/10/18	0		X ✓	m198560-1 ✓
2421903 ✓	Outdoor ✓	1	10/10/18	150 ✓		X	-2
2421883 ✓	Unit 100 ✓	1	10/10/18	150		X	-3
2421888 ✓	Unit 103 ✓	1	10/10/18	150		X	-4
2421898 ✓	Unit 204 ✓	1	10/10/18	150		X	-5
2421892 ✓	Unit 104 ✓	1	10/10/18	150		X	-6
2421882 ✓	Unit 200 ✓	1	10/10/18	150		X	-7
2421895 ✓	Unit 201 ✓	1	10/10/18	150		X	-8
2421893 ✓	Unit 101 ✓	1	10/10/18	150		X	-9
2421881 ✓	Unit 102 ✓	1	10/10/18	150		X	-10
2421887 ✓	Unit 202 ✓	1	10/10/18	150		X	-11

CHAIN OF CUSTODY	Collected by: JW	FOR LAB USE ONLY: ✓	
	Relinquished by: AV	Date/Time: 10/11/18	Received by: DG Date/Time: 10/11/18 11:02AM
	Method of Shipment: Drop off	Sample Condition Upon Receipt:	Acceptable <input checked="" type="checkbox"/> Other (explain) <input type="checkbox"/>

Authorized by: Alex Virag Date: 10/11/2018

Customer Signature MUST Accompany Request. Customer accepts Pinchin Ltd. Standard Terms and Conditions for Laboratory Services (see over)

Distribution: White = Laboratory, Yellow = Customer Copy

Page ___ of ___

Rev. by 12 10/11/18

Pinchin Ambient Mould Index (PAMI) ©

Region:	Greater Toronto Area
Month:	October
# Samples:	889
Period:	2006 – 2016

Mould/Groups Recorded	Frequency of detects (%)	Min (spores/m ³)	5 th percentile (spores/m ³)	50 th percentile (spores/m ³)	95 th percentile (spores/m ³)	Max (spores/m ³)
Basidiospores non-specified	99.55	26	404	4589	30712	110000
Ascospores non-specified	98.20	26	78	580	3909	60425
<i>Cladosporium</i>	94.94	26	52	791	7295	1978343
<i>Aspergillus</i> /Penicillium-like	86.28	26	26	211	1465	21257
<i>Coprinus</i>	69.18	26	26	86	605	9000
<i>Ganoderma</i>	65.47	26	26	105	583	2825
Non-specified spores	64.79	26	26	105	1203	24771
Periconia/Myxomycetes	44.43	26	26	78	580	1586
<i>Epicoccum</i>	41.17	26	26	53	305	2171
<i>Alternaria</i>	39.37	26	26	55	406	3314
Rusts	17.55	26	26	43	195	448
<i>Oidium</i>	9.00	26	26	28	111	1213
<i>Cercospora</i>	5.85	26	26	45	451	2328
<i>Polythrincium</i>	5.17	26	26	26	125	210
<i>Pithomyces</i>	4.95	26	26	26	132	237
<i>Arthrinium</i>	4.39	26	26	33	609	2743
<i>Botrytis</i>	3.82	26	26	43	169	598
Drechslera/Bipolaris group	2.02	26	26	34	84	170
<i>Tortula</i>	1.91	26	26	38	89	131
<i>Nigrospora</i>	1.91	26	26	26	55	69
Helicospores	1.91	26	26	37	89	131
<i>Ulocladium</i>	1.35	26	26	26	96	129
<i>Chaetomium</i>	1.35	26	26	26	261	290
<i>Scopulariopsis</i>	0.79	26	26	26	47	53
<i>Fusarium</i>	0.67	26	26	106	163	171
<i>Fusicladium</i>	0.67	26	26	26	100	105
<i>Stachybotrys</i>	0.56	26	26	26	26	26
<i>Curvularia</i>	0.56	26	26	33	66	69
<i>Stemphylium</i>	0.45	26	26	26	65	72
<i>Peronospora</i>	0.34	26	31	79	107	110
<i>Spegazzinia</i>	0.34	26	26	26	61	65
<i>Exosporiella</i>	0.22	53	53	55	57	57
<i>Urocystis</i>	0.11	26	26	26	26	26
<i>Pestalotiopsis</i>	0.11	52	52	52	52	52

Based on detection limit of 26 spores per cubic metre of air.

The Pinchin Ambient Mould Index (PAMI) © is a measure of "typical" outdoor mould air quality, and can assist in the interpretation of indoor mould air samples. PAMI is derived from over 30,000 outdoor mould spore trap air samples analysed in the Pinchin Environmental Microbiology Laboratory over the period shown above. This data is analysed on a monthly basis for 18 regions across Canada, based on a minimum of 30 samples per region per month.

© PINCHIN LTD.



2470 Milltower Court
Mississauga, ON L5N 7W5
Tel: (905) 363-0678
Fax: (905) 363-0681



Laboratoire d'analyse
accrédité par le
gouvernement du Québec



210

Pinchin Environmental Microbiology Laboratory *Certificate of Analysis*

Revision to test report m198561

October 19, 2018

CUSTOMER: Alex Virag, James Widya, Vlada Liashko

COMPANY: Pinchin Ltd.

ADDRESS: 2470 Milltower Crt.
Mississauga, ON L5N 7W5

PROJECT NAME: Mould Investigation, 5810-5818 Sheppard Ave, Scarborough, ON

PROJECT NO.: 230382.000

LAB REFERENCE NO.: m198561r

TYPE OF SAMPLE(S): BULK

SAMPLE CONDITION: Acceptable

DATE COLLECTED: October 10, 2018

DATE RECEIVED: October 11, 2018

DATE ANALYSED: October 11, 2018

DATE REPORTED: October 11, 2018

ANALYST: Partinder Puri, B.Sc.

TITLE: Environmental Microbiologist

REVIEWER: Inesa Liashko B. Eng.

TITLE: Environmental Microbiologist

Method of Analysis: Analysis of Bulk and Tape-lift Samples by Direct Microscope Examination (SOP: DME-BLK-005, January 31, 2017)

This SOP is based on methods described in: "AIHA's Field Guide for Determination of Biological Contaminants in Environmental Samples", "Samson et al's Food and Indoor Fungi", and the "IRRSST method 360". Bulk samples are scanned under a stereomicroscope for the presence of mould growth; cello tape samples taken from these are mounted on glass slides and examined under light microscope at X400, X600 (630) or X1000 magnifications as appropriate. Moulds are identified to the genus using keys in relevant books and literature. Mould growth is assessed as Heavy, Moderate or Slight by examining the mycelium cover on the sample and/or the slide preparations. Some moulds may be difficult to identify from bulk samples and these are reported as "Unidentified mould". Spores observed in the absence of an established mycelium are identified whenever possible and rated as "few" for 5-50 spores or "masses" for >50 spores. Results are not corrected for blanks. Estimation of uncertainty is provided upon request.

COMMENTS/OBSERVATIONS (IF ANY):

- Notes:**
1. The result(s) relate only to the sample(s) tested.
 2. This test report shall not be reproduced except in full, without written approval of the laboratory.
 3. Services are subject to Pinchin Ltd. Standard Terms and Conditions for Laboratory Services.



2470 Milltower Court
Mississauga, ON L5N 7W5
Tel: (905) 363-0678
Fax: (905) 363-0681



Laboratoire d'analyse
accrédité par le
gouvernement du Québec



211

Pinchin Environmental Microbiology Laboratory Certificate of Analysis

CUSTOMER: Alex Virag, James Widya, Vlada Liashko

PROJECT NAME: Mould Investigation, 5810-5818 Sheppard Ave, Scarborough, ON

LAB REFERENCE NO: m198561r

PROJECT NO.: 230382.000

DATE ANALYSED: October 11, 2018

ANALYST: Partinder Puri, B.Sc.

RESULTS FOR BULK DME ANALYSIS

Customer Sample No.	Lab Sample ID.	Description	Mould Identified, in Rank Order	Comments (if any)
MB-01	m198561-1	Drywall on hallway outside of unit 200	<i>Chaetomium</i> sp <i>Aspergillus</i> sp	Heavy growth
MB-02	m198561-2	Drywall on South wall of unit 104	<i>Ulocladium</i> sp	Heavy growth
MB-03	m198561-3	Drywall of West wall in basement	<i>Geotrichum</i> sp <i>Aspergillus</i> sp	Moderate growth

Signature of Analyst:



2470 Milltower Court
Mississauga, ON L5N 7W5
tel: 905.363.0678 fax: 905.363.0681
1.855.PINCHIN www.pinchin.com

Environmental Microbiology Laboratory
Chain of Custody Form

m198561
212

REPORT RESULTS TO	Contact: James Widya, Alex Virag, Vlada Liashko PM ✓	Dept: IEQ
	Company: Pinchin Ltd. ✓	Tel: 905.699.1074 Fax:
	Mailing Address: 2470 Milltower Court ✓	Email: avirag@pinchin.com , jwidya@pinchin.com
	City: Mississauga Prov: ON Postal Code: L5N7W5	Customer Job / P.O. #: 0230382.000 ✓
Special Instructions:		Project: Mould Investigation, 5810-5818 Sheppard Ave, Scarborough, ON ✓
Report Language: English <input checked="" type="checkbox"/> French <input type="checkbox"/> No. Samples Submitted: 3 ✓		Invoice To:

ANALYSIS TYPES

1. Total Fungal Particulate (Spore count and Identification)	5. Bacteria (Quantification/Gram staining)
2. Direct Microscope Examination (Fungal)	6. Heterotrophic Plate Counts (HPC)
3. Direct Microscope Examination (Particulate): a. Quantitative b. Qualitative	7. E.coli/Total Coliforms
4. Fungal Quantification & Identification (Anderson/RCS)	8. Other: _____

Sample#	Description	Analysis Requested (e.g. 3a)	Date Sampled	Vol (L) or Area (cm ²)	TAT		FOR LAB USE ONLY LAB #
					REG.	RUSH	
MB-01 ✓	Drywall on hallway outside of unit 200	2 ✓	10/10/18			X ✓	m198561-1
MB-02 ✓	Drywall on South wall of unit 104 ✓	2	10/10/18			X	-2
MB-03 ✓	Drywall of west wall in basement ✓	2	10/10/18			X	-3

CHAIN OF CUSTODY	Collected by: JW	FOR LAB USE ONLY:	
	Relinquished by: AV Date/Time: 10/11/18	Received by: D6	Date/Time: 10/11/18 11:09AM
	Method of Shipment: Drop off	Sample Condition Upon Receipt:	Acceptable <input checked="" type="checkbox"/> Other (explain) <input type="checkbox"/>

Authorized by: Alex Virag Date: 10/11/2018
Customer Signature MUST Accompany Request. Customer accepts Pinchin Ltd. Standard Terms and Conditions for Laboratory Services (see over)

Distribution: White = Laboratory, Yellow = Customer Copy

Page ___ of ___

Rw. by 12 10/11/18

APPENDIX H

Beyond Electric Inc.

35 Lord Sydenham Crt, Toronto, ON, M1W 3S4

416-833-9394

Scope of work report

Customer: RSM Canada Limited, Court-Appointed Receiver and Manager of 2492167 Ontario Ltd.

Service Address: 5810-5818 Sheppard Ave E. Scarborough, ON, M1B 1H9

After the meeting with ESA and discussion with my partner, we have prepared a scope of work plan according to the Canadian Electrical Codes. The following is what we intend to address:

1. Pull out all the wires that are not up to the code, such as the Romex or NMD cable through all the metal studs, wires hidden in the wall without properly cut into and electrical box, etc.
2. Pull out all the boxes that are not up to the code and remount and properly support all the boxes, as required
3. Add on all the necessary disconnects for all the equipment as per the ESA inspector's recommendation
4. Check and label all the existing disconnects related fuses
5. Rewire and put a proper disconnect for the furnace on the main floor in the variety store. Please note that the furnace has been illegally modified. We will not touch it unless it has been properly fixed
6. Check and fix all the exit signs and emergency lights. Replace if necessary
7. Plan and install 2 or more space heater for second floor hall way
8. Trace and fix the outside pole lights in parking lot
9. Fix outside lights in front of stores
10. Rewire or support all the plugs in the basement

NOTE: our hourly rate is \$95 plus tax per person. We will put 40 hours on the restoration project each week. Total estimated working hours is 120. All the materials needed are not included in the hourly rate. Such materials will be billed at cost plus 15% mark-up. Invoices will be submitted weekly for payment.

Accepted by:

Signature:

Date:

APPENDIX I

WARNING

Please be advised that dangerous materials and conditions have been identified on site, specifically mould, ventilation issues, and electrical hazards.

Please exercise caution while on these premises.

Enter at your own risk.

APPENDIX J

October 29, 2018

Hand-Delivered



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

Dear Sirs:

In the matter of the receivership of 2492167 Ontario Ltd. (the "Company")
Re: 5818 Sheppard Avenue East, Toronto, Ontario (the "Property")

We are writing to you solely in our capacity as Receiver and Manager of the Company. As you are aware, on July 26, 2018, RSM Canada Limited was appointed by the Ontario Superior Court of Justice (the "**Court**") as receiver and manager of all of the assets, undertakings and properties of the Company including the Property (the "**Receiver**"). A copy of the Court Order appointing the Receiver was previously provided to you.

The Receiver has recently been made aware of significant risks with respect to the occupation of, or visitation to, the Property. While the Receiver may not yet have received all of the information relating to these issues, it has been determined that known possible risks include: (i) mould present in the Property (ii) HVAC ventilation and performance issues and (iii) electrical issues (collectively, the "**Risks**"). In this regard, we enclose the following reports for your reference:

- i) Report of Pinchin Ltd. dated October 22, 2018 re mould investigation; and
- ii) Report of Pact Engineering Inc. dated October 23, 2018 re HVAC system.

With respect to the electrical issues, the Electrical Safety Authority ("ESA") attended at the Property on October 22, 2018 and, although it has not issued a report to the Receiver, the Receiver was made aware of significant electrical deficiencies and associated risks.

The Receiver will not be undertaking any steps to rectify the deficiencies that have been identified, including those set out in the attached reports.

In view of the contents of the above-noted reports as well as the findings communicated by ESA, the Receiver strongly suggests that all tenants adhere to the following: 1. Provide written notification to persons who may be affected by the Risks, including employees and all other visitors; and 2. vacate the premises as soon as possible for health and safety reasons. Until such time as you vacate the premises, we request that you post the enclosed signage to the entrance to your unit, for the protection of, and benefit to, all visitors to your premises.

We request that you advise the Receiver by November 1, 2018 of when you will be vacating the premises. If we do not hear from you, or if you advise the Receiver that you will vacate the premises on a date that is not acceptable to the Receiver, the Receiver reserves its rights to make an application to the Court for advice and directions relating to the issues raised.

The Receiver requests evidence of the payment of any last months' deposit that you may have paid. If sufficient evidence is provided, the Receiver proposes to refund these amounts, less any funds that may be owing to the landlord at the time you vacate the premises.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

Please also confirm and acknowledge your receipt of this notice as provided for below.

Should you have any questions, please contact Jeffrey Berger of the Receiver's office at 647-726-0496 or jeff.berger@rsmcanada.com.

Yours truly,

RSM Canada Limited, in its capacity as
Court-Appointed Receiver and Manager of 2492167 Ontario Ltd.,
and not in its personal or corporate capacity

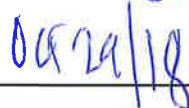


Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice-President

We acknowledge receipt of the letter from the Receiver dated October 29, 2018.

____ (Name)

____ (Signature)

____ (Date)

This letter was hand-delivered to _____ on October ____, 2018 who refused to acknowledge receipt of the letter.

____ (Name)

____ (Signature)

____ (Date)

APPENDIX K

November 6, 2018

Hand-Delivered



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

Dear Sirs:

In the matter of the receivership of 2492167 Ontario Ltd. (the "Company")
Re: 5818 Sheppard Avenue East, Toronto, Ontario (the "Property")

Further to our letter dated October 29, 2018 (the "**Letter**"), we are writing to you solely in our capacity as Receiver and Manager of the Company.

In view of the Risks as defined in the Letter, the Receiver had requested that all tenants respond by November 1, 2018 to advise the Receiver of their intention to vacate the premises. Based on the responses received to date, the Receiver understands that the tenants intend to remain at the premises, placing themselves, their employees and their visitors at risk.

We reiterate that the Receiver will not be undertaking any steps to rectify the deficiencies that have been identified, as all deficiencies arose prior to the appointment of the Receiver on July 26, 2018, and therefore the Receiver has no obligation or intention to rectify or repair under these circumstances.

As set out in the Letter, tenants were advised to provide written notification to persons who may be affected by the Risks, including employees and all other visitors. To that end, the Receiver enclosed a notice to be posted on the entrance to your unit. A copy of this notice is also enclosed herein, for your convenience. We request that you post the enclosed signage to the entrance to your unit, for the protection of, and benefit to, all occupants and visitors at your premises.

Should you have any questions, please contact Jeffrey Berger of the Receiver's office at 647-726-0496 or jeff.berger@rsmcanada.com.

Yours truly,

RSM Canada Limited, in its capacity as
Court-Appointed Receiver and Manager of 2492167 Ontario Ltd.,
and not in its personal or corporate capacity

Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice-President

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

APPENDIX L

November 29, 2018

Hand-Delivered

Rizwan Ahmad Mirza & Dilawar Khan
o/a Madina Mechanical
5818 Sheppard Ave. E., Unit 200
Scarborough, ON M1B 4Z6

Dear Sirs:

**In the matter of the receivership of 2492167 Ontario Ltd. (the “Company”)
Re: 5818 Sheppard Avenue East, Toronto, Ontario (the “Property”)**



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

We are writing to you solely in our capacity as Receiver and Manager of the Company.

Further to our letters dated October 29, 2018 and November 6, 2018 (the “Letters”), as stated in the Letters, there are a number of deficiencies and risks that have been identified at the Property with respect to mould, ventilation, heat, and other safety hazards. The Receiver has expressed to you the severity of the problems, and provided you with detailed reports which outline the risks that are faced by the tenants, their employees, and their visitors. The Receiver has been advised that further issues may present as winter progresses, including the freezing of water pipes which could cause damages to the property including the individual units.

We also note that the notices the Receiver provided to you to be posted at your unit have not been posted. We again request that those notices be posted, and we enclose a copy of the notice for your use.

Once again, we reiterate that the Receiver will not be undertaking any steps to rectify the deficiencies that arose prior to the appointment of the Receiver on July 26, 2018. However, certain repairs will be completed at the Property in the month of December, 2018, including replacing certain of the drywall in the common areas of the office building.

We also point out that the Receiver intends to commence marketing the Property for sale within the next month. Upon a sale of the Property, a successful purchaser may want vacant possession of the commercial building. If that is the case, you will be required to vacate the Property at that time as the first mortgagee of the Property, Cameron Stephens Financial Corporation has obtained an order for vacant possession, which will take effect upon the sale of the Property. A copy of that Order is attached for your reference.

In light of the above, the Receiver repeats its request that all tenants make arrangements to relocate their business on an urgent basis.

Should you have any questions, please contact Jeffrey Berger of the Receiver’s office at 647-726-0496 or jeff.berger@rsmcanada.com.

Yours truly,

RSM Canada Limited, in its capacity as
Court-Appointed Receiver and Manager of 2492167 Ontario Ltd.,
and not in its personal or corporate capacity

Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice-President

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

APPENDIX M

~~ACCESS CASH~~~~GAR~~
~~ATM~~~~ATM~~**ATM PLACEMENT, VAULT CASH & PROCESSING AGREEMENT**

Shared Agreement for the Operation of an Automatic Banking Machine (ABM)

Between

Access Cash General Partnership

Located at: 191 Attwell Drive, Unit 4, Toronto, Ontario M9W 5Z2

Telephone: 1-888-289-3939 Fax: 1-800-449-2331

(the "Company")

and

The "CLIENT"			
LEGAL NAME:	2492167 ONTARIO LTD.	AGREEMENT DATE:	1 / APR / 18
OPERATING NAME:	ULTRAMAR EXPRESSMART SHEPPARD	GST#	
ADDRESS:	5818 SHEPPARD AVENUE EAST SCARBOROUGH, ONTARIO M1B 1H9	PST#	
CONTACT NAME:	NATASHA BAICH / KARUNADEVI NADARAJAL	HST#	
CONTACT PHONE:	416 291 2669 (B) 647 215 7261 (M)	COMMENTS:	
EMAIL:	ULTRAMAR5810@GMAIL.COM	1 - 150 @ \$ 1.35 151 - 300 @ \$1.50 301 + @ \$ 1.65	
FAX:			

TERMS AND CONDITIONS

IN CONSIDERATION OF the terms and conditions set forth herein below, the COMPANY and the CLIENT agree as follows:

- Definitions:** In these terms and conditions, "COMPANY" and "CLIENT", respectively, mean the parties identified as such hereinabove; "ATM" refers to the terminal identified on the final page of this agreement; and "CLIENT's Address" means the address of the CLIENT identified above
- COMPANY's Obligations and Rights:** The COMPANY shall make available to and provide the CLIENT with the ATM and the transaction processing, reporting, settlement and monitoring for the ATM. The COMPANY shall provide technical repair and maintenance service as necessary for the proper functioning of the ATM. The COMPANY is responsible for the cost of all labour as required as a result of normal wear and tear of the ATM. The COMPANY's obligations, including without limitation its service obligations, under this agreement shall terminate upon the CLIENT being in default of its obligations hereunder without any requirement by the COMPANY to first provide prior notice of such default. The COMPANY shall have the right, without the CLIENT'S prior consent, to assign, transfer or subcontract any undertaking or obligation hereunder to any person or entity capable of properly performing those obligations.
- CLIENT's Obligations:** During the term of this agreement, the CLIENT agrees to provide or arrange to provide for the following at its own expense:
 - a location suitable to the COMPANY for the ATM at the CLIENT's Address;
 - an ATM-dedicated 110-volt power outlet and electrical power within 3 feet of the ATM location; and
 - an ATM-dedicated telephone line and telephone service or Company-approved IP connection.

The CLIENT agrees to maintain the ATM in clean condition, good repair and working order to the standards required by the COMPANY at the location agreed upon with the COMPANY at the CLIENT's Address, and not to use the ATM for any unlawful purpose. The CLIENT must advise the COMPANY and receive consent, which will not be unreasonably withheld, prior to any relocation of the ATM from its original installed location, even if the relocation is at the same address. Such relocation shall only be performed by the COMPANY (or as authorized by the COMPANY) and the CLIENT shall bear all costs related to the relocation. The COMPANY and its authorized agents shall at any time and from time to time, during reasonable hours, have the right to inspect the ATM, and the CLIENT shall allow the COMPANY free access and afford the COMPANY all facilities necessary for proper inspection. In the event the CLIENT fails to maintain the ATM in good condition as required hereunder, the COMPANY or its authorized agent shall have the right (but not be obligated), at any time during usual business hours, to inspect the ATM and make any repairs thereto, and for that purpose shall

CLIENT initials

K.N

~~ACCESS CASH~~~~GAB~~
~~FREE~~
ATM~~ATM~~

have access to the place where the ATM is located, and the cost of any such repair and labour therefore shall be payable by the CLIENT on demand.

Other than the ATM, the CLIENT shall not, for any reason whatsoever, permit the installation of or have at the CLIENT's Address, or any adjoining or adjacent property occupied by the CLIENT, any automatic teller machine or other cash-dispensing machine of any kind. The CLIENT shall not permit or provide cash advances on debit cards to its clients who use a direct payment service such as Interac, at the CLIENT's Address, without the prior written consent of the COMPANY.

The CLIENT acknowledges that the COMPANY is the sole and unconditional owner of the ATM.

The CLIENT grants exclusivity to the COMPANY, and agrees to retain and only do business with the COMPANY and/or the COMPANY's authorized agents, for the operation of the ATM (and any other ATM at the CLIENT's Address) and all ATM transaction processing, maintenance, technical service and parts. The ATM may not be operated using processing, reporting, settlement, monitoring or other services other than those provided by the COMPANY or as consented to in writing by the COMPANY. The CLIENT covenants and agrees that, during the Initial Fixed Term and any renewal fixed term, it will not (i) utilize the services of any other automated teller machine transaction processing service provider, unless otherwise contemplated or provided for herein, or (ii) place any additional automated teller machine at the CLIENT's Address unless they are provided by the COMPANY and the related services are provided for by the COMPANY. The CLIENT is responsible for the cost of all parts and labour related to ATM maintenance, repair, and any other technical service required for reasons other than normal wear and tear as determined by the COMPANY in its sole discretion. The CLIENT is responsible for all damages and costs resulting from acts of vandalism, natural disasters or mistreatment and misuse of the ATM.

The CLIENT agrees to change the receipt paper (to be supplied by the COMPANY in accordance with the terms set out herein, reset the ATM, and print journals, as required, if necessary or requested by the COMPANY. If the CLIENT fails to do so, the COMPANY shall dispatch a technician to perform these functions, the cost of which will be billed to the CLIENT. The CLIENT shall order receipt paper exclusively from the COMPANY. The COMPANY will cover all shipping and handling costs unless rush and/or overnight shipping, is required in which case the CLIENT will pay all shipping costs and costs incidental thereto. The CLIENT agrees to allow any representative of the COMPANY to enter the CLIENT's Address from time to time during CLIENT's normal business hours in order to have access to and inspect the ATM.

The CLIENT shall permit the public to use the ATM during the CLIENT's normal business hours and shall not in any way obstruct access to the ATM. The CLIENT shall allow the COMPANY, its employees and agents, access to the CLIENT's Address to install, service, supply and repair the ATM. In the event that access to the CLIENT's Address is required by the COMPANY outside of the normal business hours of the CLIENT, the CLIENT shall provide access to such premises at the request of the COMPANY provided that in such case the COMPANY shall be responsible for reimbursing the CLIENT for any costs incurred in providing such access and maintaining security, if any. The CLIENT shall ensure at all times during normal business hours that at least one (1) employee, agent or representative of the CLIENT has access to the ATM (including any key access) and that such person is on-site or readily available in the event the COMPANY needs to instruct such a person to perform any service, maintenance or repair work to the ATM.

4. Cash Loading: For the term of this agreement, the COMPANY agrees to keep the ATM filled with a sufficient reserve of cash in Canadian currency, to ensure the proper functioning thereof in accordance with ATM specifications.
5. Advertising: The COMPANY reserves the right to mark and/or identify the ATM by affixing self-adhesive labels on the ATM, and/or displaying messages on the ATM screen, to identify the COMPANY and/or its services. The COMPANY reserves the right to affix signage and advertising, at its discretion, on the ATM or the ATM screen. The CLIENT agrees to allow the COMPANY to place suitable signage in the CLIENT's place of business and windows to effectively promote the services provided by the ATM. At any time without the consent of the CLIENT, and for any reason whatsoever, the COMPANY may change the content, wording, branding, design and appearance of the ATM and related advertising, logos and signage (whether on the interior or exterior of the CLIENT's Address or on the ATM machine itself) including, without limitation, in connection with any joint ventures or partnerships which the COMPANY may enter into from time to time.
6. Financial Arrangements: The COMPANY and the CLIENT agree that the surcharge payable by users of the ATM on each approved Interac transaction conducted through the ATM shall be the amount set out opposite the words "Surcharge Amounts" under the title "Surcharge Info" on the final page of this agreement (the "Surcharge"). The CLIENT hereby authorizes the COMPANY to deduct any amount owing to the COMPANY (if any) by the CLIENT hereunder from the Surcharge and the settlement of cash withdrawals payable to the CLIENT. Payment of the portion of Surcharge revenue payable to the CLIENT shall be by cheque on the 15th of the month following the month in which the transaction to which it relates was made. The COMPANY will send a

CLIENT initials

K.N

~~ACCESS CASH~~~~GABRIEL~~
~~EZEE~~
ATM~~ATM~~

transaction statement for the preceding month via Canada Post regular mail on the 15th of each month and a five dollar handling and postage fee will be applied and will be paid for by the CLIENT. The COMPANY shall not be liable for the payment of any losses or shortages of settlement, surcharge or any other fees accruing after the sixtieth (60th) calendar day following the occurrence of such loss or shortage. The COMPANY shall retain all interchange charges and any other charges or fees paid by Interac and/or other networks (collectively the "Interchange"). The COMPANY shall have the right to adjust the Surcharge amount and revenue payable to the CLIENT in the event the Interchange fees or COMPANY costs change during the term of the agreement. Any Surcharge, Interchange and other transaction processing fee amounts payable to the CLIENT by the COMPANY shall be deemed to be inclusive of any and all applicable federal, provincial and local taxes, including GST and QST.

7. **Term:** The fixed term of this agreement shall be for five (5) years commencing on the date of this agreement indicated opposite the words "Agreement Date" on the first page hereof (the "Initial Fixed Term"). This agreement shall be automatically renewed for further periods of five (5) years, unless the CLIENT notifies the COMPANY in writing at least 60 days prior but not greater than 120 days prior to the expiry of the Initial Fixed Term or any then-current renewal fixed term, that this agreement will not be renewed. The COMPANY may, in its sole discretion and at any time, remove the ATM from the CLIENT's address and terminate this agreement if the average number of ATM transactions per month processed by the ATM pursuant to this agreement is below the required minimum number of transactions as determined by the COMPANY or is not commercially viable, in the COMPANY's sole discretion. In lieu of removal and in the COMPANY's sole discretion, the COMPANY may increase the Surcharge payable by an amount equal to the amount required for the COMPANY to earn revenue equal to what it would have otherwise earned had the ATM processed the required minimum number of transactions. The CLIENT may not terminate this agreement before expiry of the Initial Fixed Term or of any renewal fixed term. Notwithstanding any legal provision to the contrary, the CLIENT hereby waives any and all rights to unilaterally terminate this agreement before the expiry of its Initial Fixed Term or of any renewal fixed term including, without limitation, pursuant to article 2125 of the Civil Code of Québec.
8. **Default:** In addition to the COMPANY's other termination rights set forth herein, the COMPANY may terminate this agreement if the CLIENT is in breach of any provision hereof and that breach is not remedied within 15 days following written notice from the COMPANY. CLIENT acknowledges that the COMPANY is entitled to specific performance by CLIENT of its obligations under this agreement. Should this agreement be terminated prior to the expiry of the Initial Fixed Term or of any applicable renewal fixed term (the "Early Termination Date"), the CLIENT agrees to immediately pay to the COMPANY, at the COMPANY's request, all Interchange and other associated fees that the COMPANY would have received hereunder from the date of termination of the Agreement until the end of the Initial Fixed Term or of any applicable renewal fixed term (collectively, the "Early Termination Fees"). The Early Termination Fees shall be based on average monthly transaction volumes for the last six (6) month period, or portion thereof which immediately preceded the Early Termination Date or, in the event the CLIENT was not in compliance with all the terms hereof at any time throughout such six (6) month period, then the Early Termination Fees shall be based on the average monthly transaction fees for the last consecutive six (6) month period preceding the Early Termination Date in which the CLIENT was in compliance with all the terms and conditions hereof. In the event the CLIENT did not operate the ATM for a consecutive period of six (6) months following the date of this agreement, then the Early Termination Fees shall be based on the average daily transaction volumes for the period from the effective date of this agreement to the last day the CLIENT was in compliance with the terms and conditions hereof prior to the Early Termination Date (which, for greater certainty, could fall on the same day as such Early Termination Date). The CLIENT further agrees that the Early Termination Fees represent an estimate of the COMPANY's damages and that such damages are deemed to be liquidated damages and not a penalty and do not limit any other recourse available to the COMPANY.
9. **Right to match offer:** If at any time up to one (1) year after the expiry or termination (including, without limitation, termination pursuant to Section 8 hereof) of this agreement or the last renewal fixed term, the CLIENT obtains an offer from a third party to provide services similar to those provided by the COMPANY pursuant to this agreement, the CLIENT shall, prior to accepting such offer, give written notice thereof to the COMPANY, which notice shall include the terms and conditions of the offer. The COMPANY shall, within thirty (30) days of receiving the notice, send written confirmation to the CLIENT of its intention to agree or refuse to provide the CLIENT with similar services, on similar terms and conditions, as those contained in the offer. The CLIENT may not enter into any agreement with respect to services similar to those provided by the COMPANY under this agreement unless it has first notified the COMPANY in accordance with this clause and the COMPANY has refused to provide the services or has not replied to the CLIENT within the aforementioned thirty (30) days.
10. **Execution and Assignment:** The CLIENT represents and warrants that this agreement is capable of execution and compliance and that it does not conflict with any other agreement binding on the CLIENT. This agreement enures to the benefit of, and is binding upon, the parties hereto and their respective heirs, executors, administrators, successors and assigns. The CLIENT may not assign this agreement without the written consent of the COMPANY, which consent shall not be unreasonably withheld. The CLIENT shall use its best efforts to cause any purchaser or other transferee of the ATM or the business at the CLIENT's Address to agree

CLIENT initials

K.N

~~ACCESS CASH~~~~GAB~~
~~EZEE~~
ATM~~ATM~~

that such transferee shall be personally bound by all of the terms and conditions of this agreement which are applicable to the CLIENT or its interest in the ATM or the business at the CLIENT's Address. The CLIENT shall promptly notify the COMPANY of its intention to sell or transfer the ATMs or the business at the CLIENT's Address. If the CLIENT fails to cause such transferee to be bound as described in the previous sentence, the assignment will be treated as a default hereunder and the penalties described in clause 8 hereof shall apply. Notwithstanding the execution of this agreement by a representative in the "COMPANY ACCOUNT REPRESENTATIVE Signature" box below, this agreement shall only be binding and enforceable against the COMPANY once duly executed by the COMPANY below and the execution of this agreement by such representative does not bind the COMPANY.

11. Limitation of liability: In no circumstances shall the COMPANY, its shareholders, partners, associates, officers or directors be held liable for any loss or special damages, punitive, incidental or indirect, any loss of earnings or profits, any inability to realize profits or anticipated savings, or any loss or damages arising from an interruption of the service provided by the COMPANY or any default on the part of the COMPANY under the terms hereof, regardless of whether such damages may be related to a service provided under this agreement or arise due to a breach, real or alleged, of the COMPANY's contractual or extra-contractual obligations.
12. Consent: If required for Interac compliance, the CLIENT hereby expressly acknowledges and authorizes the COMPANY to perform background checks (including criminal background checks) on the CLIENT, or, where the CLIENT is a legal entity, its shareholders, directors and officers. Moreover, the CLIENT undertakes to provide the COMPANY with any additional information it may request from time to time during the Initial Fixed Term or any renewal fixed term in connection with carrying out such criminal background checks.
13. Severability: Should any provision of this agreement be declared illegal, invalid or unenforceable, then such provision shall be deemed null and void without invalidating the remaining provisions hereof. This agreement is not effective until executed by the COMPANY and the CLIENT and is accepted by the COMPANY.
14. Entire agreement: This agreement supersedes all prior negotiations and verbal and written agreements. This agreement may not be amended or modified except by written agreement signed by a duly authorized representative of the COMPANY and of the CLIENT.
15. Governing Law: The parties hereto agree that the laws of the Province of Ontario and the federal laws of Canada applicable in such province govern this agreement. The parties hereto irrevocably submit to the jurisdiction of the Courts of the Province of Ontario, district of Toronto, with respect to any dispute arising from or out of this agreement.
16. Interac: The CLIENT acknowledges and agrees to comply with the Interac rules set forth below, as they may be modified from time to time. The CLIENT agrees to keep employee logs indicating individual hours worked and to submit those logs to the COMPANY within twenty-four (24) hours upon request, should an investigation involving theft or fraud be initiated. The CLIENT agrees to keep confidential all information pertaining to the Interac rules set forth below. The CLIENT acknowledges that Interac may, from time to time, require certain software and hardware modifications to the ATM ("Upgrades") so that the ATM can remain in compliance with Interac transaction processing requirements. The CLIENT hereby authorizes the COMPANY and/or its service provider to install these Upgrades at the COMPANY's expense.

Interac Rules

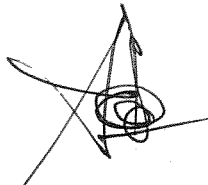

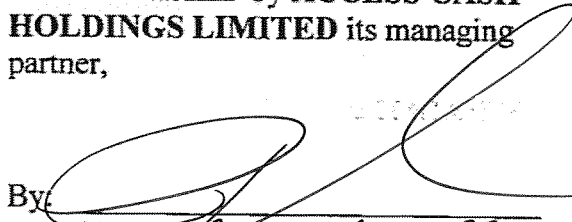
1. The ATM must be able to display English and/or French messages to Cardholders.
2. The ATM must notify the cardholder of the Surcharge and give the cardholder the opportunity to cancel the transaction.
3. All messages to cardholders must be clearly legible.
4. The ATM must bear a self-adhesive label informing users that it is part of the Interac network.
5. The ATM must be capable of dispensing a minimum of \$400 per transaction if required by the user and authorized by the issuing bank.
6. The ATM shall either automatically print a transaction record (receipt) or provide the possibility of printing it at the cardholder's request.
7. A record of each transaction must be kept for a period of at least one calendar year from the transaction date.

The COMPANY has provided and will continue to provide the services necessary for the ATM to comply with the aforementioned rules. If for any reason the ATM fails to comply with any of the rules, the CLIENT shall contact the COMPANY to rectify the situation immediately.

CLIENT initials

K.N

~~ACCESS CASH~~~~GAB~~ **EZEE** ATM~~CON~~

SURCHARGE AMOUNT		\$ 3.00		MAKE		TRITON	
AMOUNT PAYABLE to CLIENT		SEE COMMENT		MODEL		RL 1600	
DENOMINATION TO BE DISPENSED		\$ 20		SERIAL #		LRL1613092807167	
2ND DENOMINATION IF APPLICABLE		\$ N/A		YEAR OF MODEL			
MONTHLY PROCESSING FEES		\$ N/A					
MONTHLY SERVICE FEES		\$ N/A		Client will pay for service as required <input type="checkbox"/>			
MONTHLY CONSUMABLES FEES		\$ N/A		Client will purchase consumables as required <input type="checkbox"/>			
ATM COMMUNICATION FEES		\$ N/A		Dial up <input type="checkbox"/> Cellular <input type="checkbox"/> IP <input type="checkbox"/>			
CLIENT SURCHARGE PAYMENT DETAILS							
PAYEE:	2492167 ONTARIO LTD.						
MAILING ADDRESS:	5818 SHEPPARD AVENUE EAST, SCARBOROUGH, ONTARIO M1B 1H9						
CASH PROVIDER		ACCESSCASH					
LOCATION PROVIDER:		ULTRAMAR EXPRESSMART SHEPPARD					
TERMINAL PROVIDER:		ACCESSCASH					
This agreement is subject to the terms and conditions set out in the attached terms and conditions. The CLIENT acknowledges that it has read and fully understands these terms and conditions.							
Dated at TORONTO this <u>5th</u> day of <u>MARCH</u> , 2018							
Name of authorized signatory for the CLIENT				Name of COMPANY ACCOUNT REPRESENTATIVE			
KARUNADEVI NADARAJAL				ALVEN CHOI			
Title of authorized signatory for the CLIENT <i>The signatory hereby represents and warrants that it is authorized to sign this agreement and that the execution hereof has been duly authorized for and on behalf of, and is binding on, the CLIENT</i>				COMPANY ACCOUNT REPRESENTATIVE Signature			
							
CLIENT Signature				ACCESS CASH GENERAL PARTNERSHIP by ACCESS CASH HOLDINGS LIMITED its managing partner,			
				By:  Name: ROBERT PHILLIPS Title: VP. SALES			

CLIENT initials

K.N

APPENDIX N

Fire Services - Notice of Violation

2492167 ONTARIO LTD

16 Moffatt Court, Toronto, ON, M9V4E1

Jeffrey Berger - RSM Canada Limited

11 King St. W, Suite 700 Box 27, Toronto, ON, M5H4C7

In accordance with the Fire Protection and Prevention Act, S. O. 1997, c4 a fire safety inspection was conducted at :

Property Address: **5818 SHEPPARD AVE E**

on this date: **November 06, 2018**

All noted contraventions are listed and described below

WARNING: You are advised to take corrective action immediately and notify Toronto Fire Services upon completion. Contraventions of the Ontario Fire Code and Toronto Municipal Code are subject to prosecution.

Subsections 28(3) and (4) of the Fire Protection and Prevention Act state that:

An individual convicted of an offence under subsection 28(1) for contravention of the Fire Code is liable to a fine of not more than \$50,000 or to imprisonment for a term of not more than one year, or both. A corporation convicted of an offence under subsection 28(1) is liable to a fine not more than \$100,000

Subsection 28(5) of the Fire Protection and Prevention Act states that,

A director or officer of a corporation who knows that the corporation is violating or has violated a provision of the fire code is guilty of an offence and on conviction is liable to a fine of not more than \$50,000 or to imprisonment for a term of not more than one year, or both.

<u>Item</u>	<u>Fire Code Reference</u>	<u>Description</u>
1	1.1.1.2	1.1.1.2. (3)Any appliance, device or component of a device that does not operate or appear to operate as intended when checked, inspected or tested as required by this Code shall be repaired or replaced if the failure or malfunctioning of the appliance, device or component would adversely affect fire or life safety.
Inspector Comments:		Emergency lighting throughout ground floor, 2nd floor common areas did not operate on test.
2	2.2.2.1	2.2.2.1.Where fire separations between rooms, corridors, shafts and other spaces are damaged so as to affect the integrity of their fire-resistance rating, the damaged fire separations shall be repaired so that the integrity of the fire separations is maintained.
Inspector Comments:		Drywall has been removed from various walls and ceilings/fire separations within the 2nd floor public corridor.

- 3 2.7.2.2 2.7.2.2.(1) Subject to Sentences (2) and (3), locking, latching and other fastening devices shall be such that a door can be readily opened from the inside with no more than one releasing operation and without requiring keys, special devices or specialized knowledge of the door opening mechanism on,
- (a) every exit door required by this Code, and
- (b) every door that is in an access to exit and that opens into or is located within
- (i) a public corridor,
- (ii) a facility that provides access to exit from a suite

Inspector Comments:

- Door opening from corridor serving ground floor washroom that opens into the central public corridor/exit is equipped with key-locks on both sides of the door.
- A security gate with slots designed for the insertion of padlocks is installed at the entrance door to the ground floor unit (former dispensary) that discharges into the exit/public corridor.

- 4 2.7.3.2 2.7.3.2.(1) Exit signs shall be illuminated externally or internally, as appropriate for the signs design, while the building is occupied.

Inspector Comments:

Exit signs throughout 2nd floor public corridor are not internally illuminated as designed.

- 5 6.2.4.1 6.2.4.1. Portable extinguishers shall be provided to protect every building, each hazardous occupancy inside the building and each hazardous process or operation located outside.

Inspector Comments:


Ground floor units not opening into common public corridor do not have access to a fire extinguisher (pharmacy, convenience store, vacant unit).

- 6 6.2.7.1 6.2.7.1.(1) Maintenance and testing of portable extinguishers shall be in conformance with NFPA 10, "Portable Fire Extinguishers".

Inspector Comments:

No records of annual maintenance/testing of fire extinguishers in common areas (public corridor/exit, as well as in the doctor's office).

NOTICE: This Notice of Violation does not release the property, its owners, agents, occupants or tenants from compliance with any Provincial or Municipal Acts, Regulations, By-laws or Standards.

Inspector Robert Morawski	Date Issued 20/11/2018	Inspector signature
For more information call 470-3975 (416) 398-8584 - rmoraws@toronto.ca		

APPENDIX O

AGREEMENT OF LEASE prepared in duplicate and made

B E T W E E N: **2492167 ONTARIO LTD.**, body corporate,
(H.S.T. No. 796 184 125),

(hereinafter called the "LESSOR"),

OF THE FIRST PART,

A N D: **CST CANADA CO.**, an unlimited company
constituted under the laws of the Province of
Nova Scotia,

(hereinafter called the "LESSEE"),

OF THE SECOND PART.

THE PARTIES AGREE AS FOLLOWS:

1. OBJECT

In consideration of the rent and subject to the conditions hereinafter provided, the Lessor hereby leases to the Lessee, hereto accepting, the property located at 5818 Sheppard Avenue, city of Scarborough, province of Ontario, M1B 4Z6, and more fully described as follows:

DESCRIPTION

"PCL BLK 95-1, SEC M2168 BLK 95, Plan 66M2168, subject to ease over PT BLK 95, 66M2168 as shown in broken outline formerly included within the limits of PTS 5 & 7 66R14060 as in TB162935, SC545197 (C151519 & C151520) Scarborough, city of Toronto, PIN 06074-198; LRO 80;

together with buildings, appurtenances, improvements and equipment thereto and with a building bearing civic number 5818 Sheppard Avenue, city of Scarborough, province of Ontario, M1B 4Z6."

(hereinafter called the "Leased Premises").

2. TERM

- 2.1. This lease is for an initial term of FIVE (5) years beginning on the first day of the month following the opening of the business on the Leased Premises to the public. The parties agree to confirm in writing the date of opening in order to avoid any ambiguity in this regard.

2.2. Notwithstanding the right of first refusal provided for in section 14 hereof, the Lessee may, at its discretion, renew the present lease for an additional period of five (5) years, at the same terms and conditions as those in force at the time of the expiry of the initial term. The financial conditions, including the rental payable, may however be renegotiated in good faith by the parties. To exercise its option to renew, the Lessee shall provide the Lessor with a written notice to that effect at least ninety (90) days prior to the expiration of the initial term hereof. In the event that the parties decide to negotiate new financial conditions but are unable to agree within sixty (60) days following the exercise of this option to renew by the Lessee, rental payable shall be renewed for the term of the renewal.

2.3. Notwithstanding any provisions herein to the contrary, if the Lessee sells less than FORTY MILLION (40,000,000) litres of gasoline and/or diesel during the initial term hereof or during any renewal period of same duration on the Leased Premises, it will have the right to extend the initial term of the lease or the term of said renewal period without any notice on a monthly basis until such time as the above sales volume has been reached.

3. EARLY TERMINATION

3.1. The Lessee may terminate this lease by means of a thirty (30) day written notice if:

3.1.1. any permit required to carry on the sale of petroleum products has not been issued, renewed or has been cancelled;

3.1.2. the Leased Premises or any part thereof are expropriated or damaged by fire or other cause rendering the remainder, even improved, unsuitable, in the sole opinion of the Lessee, for the purpose of Lessee's business;

3.1.1. the agreement of sublease, entered into between the Lessor (or the operator of the gas bar) and the Lessee executed on the same date than this lease, is terminated according to provisions contained in said agreement of sublease;

3.1.2. less than FOUR MILLION FIVE HUNDRED THOUSAND (4,500,000) litres of gasoline and diesel are sold by the Lessee on the Leased Premises, during any lease year.

3.2. Without prejudice to any other rights herein expressed, the Lessor and/or the Lessee may terminate this lease by means of a thirty (30) day written notice should the Lessor and/or the Lessee be in default of any of its obligations hereunder and should said default not be remedied within this thirty (30) day notice.

4. RECORDS

The Lessee's records shall serve as the exclusive source of final and conclusive evidence of all volumes for the purposes of this lease. Under this lease, "gasoline and diesel" means motor fuels sold by the Lessee at the Leased Premises.

5. RENTAL

- 5.1.1. The Lessee shall pay to the Lessor a rental of \$0.0100 a litre for each litre of gasoline and diesel sold by the Lessee on the Leased Premises during one lease year up to a maximum of 4,000,000 litres.
 - 5.1.2. Should sales be in excess of 4,000,000 litres during one lease year, the Lessee shall pay to the Lessor a rental of \$0.0110 a litre for each litre of gasoline and diesel sold by the Lessee on the Leased Premises during one lease year in excess of 4,000,000 litres and up to a maximum of 6,000,000 litres.
 - 5.1.3. Should sales be in excess of 6,000,000 litres during one lease year, the Lessee shall pay to the Lessor a rental of \$0.0090 a litre for each litre of gasoline and diesel sold by the Lessee on the Leased Premises during one lease year in excess of 6,000,000 litres and up to a maximum of 8,000,000 litres.
 - 5.1.4. Should sales be in excess of 8,000,000 litres during one lease year, the Lessee shall pay to the Lessor a rental of \$0.0075 a litre for each litre of gasoline and diesel sold by the Lessee on the Leased Premises during one lease year in excess of 8,000,000 litres.
- 5.2. Rental will be paid as follows:
- 5.2.1. An amount equal to \$0.0100 per litre for each litre sold by the Lessee on the Leased Premises within thirty (30) days following the end of each of the first eleven (11) months in each lease year.
 - 5.2.2. Total annual rental to be calculated at the end of each lease year based on volume sold, and adjustments to be paid, either by the Lessee or the Lessor, within thirty (30) days following the end of each lease year.
- 5.3. However, it is agreed between the parties that notwithstanding the number of litres of gasoline and diesel sold on the Leased Premises, the rental to be paid by the Lessee during any lease year will not exceed \$125,000.
- 5.4. The Lessee shall add to above rental payment due to the Lessor, the applicable Harmonized Sales Tax (H.S.T.).

5.5. In case of termination of this lease, the Lessor shall forthwith reimburse to the Lessee any rental not yet earned and/or any other sums paid in advance.

5.6. In the event the Lessor is indebted to the Lessee, the Lessee may, notwithstanding any of the rights or recourses that he may have against the Lessor, withhold the amount of rent due hereunder and apply such amount of rent against any debt due by the Lessor.

6. TAXES

The Lessor shall pay, when due, all taxes, special or general, assessments, permits, licenses, income taxes and other charges of any kind whatsoever, levied or assessed by any competent authority, affecting the Leased Premises or operations thereupon conducted and agrees to submit proof of payment to the Lessee upon request.

7. INSURANCE AND INDEMNITY

7.1. During the initial term of the lease and any extension or renewal thereof, the Lessor agrees to purchase and maintain All Risks Property insurance written by insurers satisfactory to the Lessee, covering the Leased Premises and other equipment for the full replacement value thereof and including a Loss Payable clause in favour of the Lessee "as their interests may appear".

7.2. The Lessor shall furnish the Lessee proof of insurance in the form of a certificate of insurance which shall require the insurer to give the Lessee thirty (30) days prior written notice of cancellation or non-renewal of the policy or of any material changes affecting the coverage provided therein. The Lessor also agrees to obtain and maintain in force any insurance required by virtue of the Gasoline Handling Act and Code adopted thereunder. The Lessor's insurance shall be considered primary to any insurance coverage carried by the Lessee.

7.3. The Lessor hereby covenants to indemnify and save the Lessee harmless from all liabilities, losses, costs, claims or damages arising out of the tenancy hereby created or the Lessee's occupation of the Demised Premises or any business operated therefrom. The Lessor covenants and agrees to carry liability insurance protecting the Lessor and the Lessee adequately against liability arising out of the Lessee's occupation of the Leased Premises and shall exhibit the policies of insurance to the Lessee on request.

8. MAINTENANCE AND REPAIRS

During the term hereof, and subject to clause 19 of the present lease, the Lessor, at its own expenses, agrees to maintain the Leased Premises in a

good state of repair and assume any obligations relating to the maintenance, repair, replacement, reconstruction or improvement of the Leased Premises, including any equipment belonging to the Lessor, failing which the Lessee may perform said required works at the cost of the Lessor. In addition, the Lessee may, notwithstanding any of the rights or recourses that he may have against the Lessor, withhold the amount of rent due hereunder and apply such amount of rent against the costs incurred by the Lessee.

9. DAMAGE AND DESTRUCTION

If the Leased Premises or any part thereof shall be damaged by fire, storm, tempest or other casualty, or fall into disrepair, so as to render, in the sole opinion of the Lessee, the same unfit for the purposes of the Lessee, then and so often as the same shall happen, the Lessor will, within a reasonable delay, repair or rebuild the same at the Lessee's written request. The rental shall be suspended or abated until the Leased Premises have been rebuilt or made fit to the satisfaction of the Lessee; however, in the event of default hereunder, the Lessee may, as it sees fit, make such repairs as in its opinion are necessary at Lessor's costs. The Lessee may direct that any proceeds of insurance in respect of the Leased Premises be used to rebuild or repair the Leased Premises.

10. POSSESSION

The Lessor covenants with the Lessee that the Lessee shall peaceably possess and enjoy the Leased Premises without any interruption or disturbances from the Lessor or from any other person.

11. ADDITIONS AND IMPROVEMENTS

- 11.1. The Lessee shall have the right to erect and install buildings, equipment and other improvement in or upon the Leased Premises which at all times shall remain the property of the Lessee. The Lessee shall have also the option to either remove any such improvement within thirty (30) days after the expiration or termination of the lease or the option to abandon same to the Lessor without any compensation and in such event they will become the property of the Lessor upon termination of this lease.
- 11.2. The Lessee shall have the right to paint the Leased Premises and its appurtenances according to the standards of the Lessee and install, maintain and remove such signs and advertisements as it may see fit.

12. TRADEMARKS

The Lessor acknowledges that the Lessee holds exclusive rights to all color schemes designated by the Lessee and to all Lessee designated logos, trademarks and trade names used on the Leased Premises. The Lessor agrees to use said logos, trademarks and trade names as directed

by the Lessee, and agrees to remove all such color schemes, logos, trademarks and trade names from the Leased Premises at the expiration or termination hereof.

13. RIGHT OF FIRST REFUSAL TO PURCHASE OR TO LEASE

- 13.1. The Lessor grants to the Lessee an irrevocable right of first refusal to purchase the Leased Premises or any part thereof according to the terms and conditions of any bona fide offer to purchase (as defined hereinafter) that the Lessor may receive during the initial term of this lease or any extension or renewal period, and for a period of six (6) months following the end of the initial term or any extension or renewal period, and which the Lessor is willing to accept.

A written notice of any such offer with all details of its terms and conditions included and the equivalent monetary value (in case the offer to purchase is not entirely in money) as well as copy of the offer shall be sent by the Lessor to the Lessee forthwith. The Lessee shall have sixty (60) days from the date of receipt of such notice to notify the Lessor of its intention to exercise its right of first refusal, the deed of sale to be executed within a reasonable time. The exercise of the right of first refusal provided for herein shall constitute a valid agreement to sell, binding the Lessor. If the Lessee exercises its right of first refusal, the Lessor agrees to furnish forthwith at its costs the title deeds to the property in good and due form, free and clear of any charges as well as a certificate of location of recent date. The Lessee shall advise the Lessor of any irregularity in title and the latter shall have a thirty (30) day delay to make the necessary corrections; if he fails to do so, the Lessee may proceed with the corrections, at Lessor's expense. If the Lessee does not exercise its right of first refusal to purchase, and if the Leased Premises are sold, the Lessor shall communicate to the purchaser the conditions hereof and, as a condition of the sale, the Lessor agrees to have the purchaser assume the obligations resulting from this lease including, in particular, the right of first refusal granted to the Lessee in virtue of this present lease without novation except with the consent of the Lessee.

For the purposes of this section 13, a *bona fide* offer shall constitute any commercial proposal received from a third party, acting in good faith, that relates to the Leased Premises. The Lessee shall in no event be obligated to meet the terms and conditions of an offer that relates to premises or conditions that are external to the Leased Premises, and the Lessor acknowledges that the exclusion of such conditions by the Lessee in exercising its right of first refusal shall not invalidate in any way such exercise of the right of first refusal by the Lessee.

This right of first refusal also applies in the case of any *bona fide* Offer to Purchase or *bona fide* Offer to Sell all or portion of the interests that any shareholders holds in the Leased Premises to, or from, any party or company other than the immediate family of the Lessor.

- 13.2. In addition, the Lessor grants to the Lessee an irrevocable right of first refusal to purchase the c-store business operated, as the case may be, on the Leased Premises or on the land adjacent to the Leased Premises and/or to lease the said c-store building according to the terms and conditions of any bona fide offer to purchase and/or to lease that the Lessor may receive during the initial term of this lease or any extension or renewal period, and for a period of six (6) months following the end of the initial term or any extension or renewal period, and which the Lessor is willing to accept. A written notice of any such offer with all details included and the equivalent money value (in the case the offer is not totally in money) as well as a copy of the offer shall be sent forthwith by the Lessor to the Lessee. The Lessee shall have sixty (60) days from the date of receipt of such notice to notify the Lessor of its intention to exercise its right of first refusal, the deed of sale or the leasing agreement to be executed within a reasonable time. The exercise of the right of first refusal provided for herein shall constitute a valid agreement to sell and/or to lease, binding the Lessor.
- 13.3. Subject to the preceding, should the Lessee not exercise its rights of first refusal to purchase or to lease and should the Leased Premises be sold to a third party, or should the enterprise of the c-store be sold to a third party or should the c-store building be leased to a third party, the Lessee may then, acting unilaterally, terminate the present lease upon a thirty (30) day prior written notice in which case the parties shall immediately proceed reciprocally between them to the payment of any amounts due. However, in the event that the Lessee does not exercise its rights of first refusal to purchase and/or to lease, any sale or lease shall neither give the Lessor nor any acquiring or leasing third party any right to terminate or modify the present lease in any way whatsoever. Subject to the Lessee's right to terminate unilaterally under this section 13, the present lease shall remain in force, upon the same terms and conditions.
- 13.4. The Lessor agrees that the Lessee shall have the right to assign the rights of first refusal granted under article 13 herein, at its sole discretion, without further notice. For the purposes hereof, the terms of this article 13 apply, *mutatis mutandis*, to any and all Offer to Sell or to Lease made by the Lessor or to any transaction resulting in a transfer of ownership of the Leased Premises to a third party. Any amendment to an Offer (to Purchase or to Sell or to Lease), or any modification thereto, shall be deemed a new Offer that shall be provided to the Lessee in accordance herewith,

unless the Lessee has already exercised its right of first refusal, in which case such exercise of the right of first refusal shall constitute a valid agreement, binding the Lessor.

14. RIGHT OF FIRST REFUSAL TO LEASE OR TO SUPPLY

- 14.1. In the event that the Lessee has not exercised its option to renew provided in section 2 hereof, which option to renew shall take precedence over the present right of first refusal, the Lessor grants to the Lessee an irrevocable right of first refusal to lease the Leased Premises or to supply the Leased Premises with motor fuels for a period to commence upon the expiration of this lease or any extension or renewal thereof according to the terms and conditions of any bona fide offer (as defined hereinafter) that the Lessor may receive from a competitor of the Lessee during the initial term of this lease or any extension or renewal period, and for a period of six (6) months following the end of the initial term or any extension or renewal period, and which the Lessor is willing to accept. A written notice of the offer as well as a true copy of the offer, including all details of its terms and conditions, shall be sent by the Lessor to the Lessee forthwith, and the Lessee shall have the right, during the next thirty (30) days after receipt of such offer, by written notice to the Lessor, to elect to lease or to supply the Leased Premises with motor fuels upon the terms and conditions contained in the offer, the Lessor recognizing that different conditions but monetarily equivalent constitute conditions identical to those stated in the offer. If the Lessee does not exercise its right of first refusal, the Lessor shall be free to accept the offer but the Lessor recognizes that he will have, as liquidated damages, to reimburse the Lessee the costs associated to the removal of the equipment situated on the Leased Premises and belonging to the Lessee.
- 14.2. For the purposes hereof the terms of this article 14 apply, mutatis mutandis, to any and all offer to lease or offer to supply made by the Lessor. Any amended or modified offer (to lease or to supply) shall be deemed a new offer, which shall be provided to the Lessee in accordance herewith, unless the Lessee has already exercised its right of first refusal, in which case, such exercise of the right of first refusal shall constitute a valid agreement, binding the Lessor.
- 14.3. For the purposes of this section 14, a bona fide offer shall constitute any commercial proposal, received from a third party, acting in good faith, that relates exclusively to the Leased Premises. The Lessee shall in no event be obligated to meet the terms and conditions of an offer that relates to premises or conditions that are external to the Leased Premises, and the Lessor acknowledges that the exclusion of such conditions by the Lessee in exercising its right of first refusal shall not invalidate in any way such exercise of the right of first refusal by the Lessee. In

addition, in order to be considered valid hereunder, such offer to lease shall include commercial terms comparable to those contained in the present lease, namely with respect to its content and what is incidental to it (for example with respect to its duration, rental, or any other element essential to its execution).

15. SALE OF PRODUCTS

In consideration of the rental payable hereunder, the Lessor agrees that, unless it first obtains the consent in writing of the Lessee to the contrary, no gasolines and diesel other than those sold or distributed by the Lessee shall be sold on the Leased Premises or on properties owned or controlled by the Lessor, by any shareholder of the Lessor, or by any legal persons in which the Lessor or any shareholder of the Lessor has an interest within ten (10) kilometres radius of the Leased Premises, nor will he operate, directly or indirectly, a petroleum product retail outlet within ten (10) kilometres radius of the Leased Premises.

16. ASSIGNMENT AND SUBLETTING

- 16.1. The Lessor shall not assign this lease without the prior written consent of the Lessee.
- 16.2. The Lessee shall have the right to assign this lease or to sublet the Leased Premises upon notice.

17. FORCE MAJEURE

The Lessor and the Lessee shall be temporarily relieved from the provisions of this lease in the event of force majeure, storm, flood, war, embargo, hostilities, sabotage, explosion, riot, rebellion, insurrection, or interference by any duly constituted authority. The Lessor and the Lessee shall be temporarily relieved from said provisions, but only to the extent that performance is delayed or prevented.

18. LESSOR'S DECLARATIONS

The Lessor declares that he is the sole owner of the Leased Premises and that there are no privileges, hypothecs or charges of any nature whatsoever having priority over this lease.

19. LESSEE'S EQUIPMENT

- 19.1. At the request of the Lessor, the Lessee agrees to loan to the Lessor for use upon or in connection with his business on the Leased Premises, and the Lessor agrees to receive and keep safely for the duration of this lease the following equipment, namely :

Equipment to be installed on the Leased Premises:

- One (1) « Bulloch » system with cash drawer and scanner (excluding the communication boxes);
- One (1) manual credit card printer;
- Ultramar identification and messages "Express Mart" and "Diesel" on the street sign (flex and frames);
- Ultramar identification on the canopy – Type C image (flex and frames only);
- Express Mart identification on the building (flex and frames only);
- Island accessories:
 - One (1) lock-up merchandiser;
 - Two (2) windshield washer units (FSU's);
 - One (1) blue hexagonal waste bin;
 - Two (2) building signs;
 - One (1) pole mounted sign;
 - One (1) diesel sign;
 - Two (2) absorbent material bins;
 - Four (4) pump toppers.

- 19.2. The installation costs shall be paid by the Lessee. Such costs include the expenses relative to the link up of any equipment to the existing installations. If required, the Lessor shall be responsible for any modifications to the structural, electrical installations or other installations.
- 19.3. It is expressly agreed by the parties that the title and ownership and right to possession of the equipment at all times is and shall remain with the Lessee at Lessor's risk. In the event of breach by the Lessor of any of the provisions of this lease, the Lessee shall have the right to take possession of and remove the equipment without recourse to any legal proceedings for that purpose and without liability to the Lessor for damages or compensation. The Lessor recognizes that the above mentioned equipment was in good condition when delivered to him and agrees, subject to the following, to maintain said equipment until returned to the Lessee.
- 19.4. The Lessee shall be responsible for the maintenance and all repairs relating to its equipments unless such repairs or replacement become necessary as a result of the Lessor's negligence or that of his employees or agents. The Lessor shall also be responsible for damage resulting from collision or caused thereto by the negligence of the Lessor, his employees or agents. It is agreed that, in case the equipment or any part thereof is lost, damaged or destroyed, whether by fortuitous event or otherwise, while loaned to the Lessor, the Lessee will repair or replace said equipment at the Lessor's expense. The Lessor will insure said equipment against all risks of loss or damage under an All Risks Property insurance policy, as indicated in clause 7 of the present lease.

- 19.5. No alterations or additions thereto will be made without the Lessee's written permission. Any additions to the equipment shall become part of the equipment and, henceforth, the property of the Lessee. The Lessor shall restore the equipment to its original condition if required by the Lessee.
- 19.6. The Lessor agrees to pay all license fees, taxes, assessments, rates, inspection fees or any other charges whatsoever levied by any competent authority in respect of the equipment.
- 19.7. The Lessee shall have the right at any time to substitute other equipment for the equipment if, in its opinion, the equipment or any part thereof needs to be inspected or repaired or replaced and the Lessee shall not be required to return the original equipment.
- 19.8. The Lessor recognizes that the Lessee can access the Leased Premises at all times during this lease or after the expiration of this lease to remove and take possession, at its sole discretion, of any of its equipment, and the Lessor recognizes that the Lessee, upon removal of its equipment, shall not be responsible for the relocation of any equipments or identifications belonging to the Lessor and which were in place prior to the Lessee installing its own equipments or identifications, said responsibility being the Lessor's responsibility at its cost.

20. ENVIRONMENTAL CLAUSE

- 20.1. The Lessor declares to be the sole and unique owner of the underground petroleum product tank installations. To this end, the Lessor recognizes that the said installations are at the Lessor's risk who thereby shall assume and take upon itself all responsibility and obligation for said installations or the state and condition of the Leased Premises caused by said underground installations. Notwithstanding the above, the Lessor recognizes that the Lessee may proceed, at its costs, to any leakage tests on the underground storage tanks installed on the Leased Premises as well as on the piping and fittings to confirm their tightness. Should the leakage tests reveal that said tanks are defective in any way, or should the environmental condition of the soil and/or of the water deteriorate to a point reasonably not acceptable to the Lessee, the Lessor shall be solely responsible for executing all necessary repairs, to be done at the satisfaction of the Lessee within a reasonable delay following the Lessee's written notice, failing which the Lessee may immediately terminate the lease.
- 20.2. The Lessor agrees:
- 20.2.1. to be responsible for any claim whatsoever related to these installations; and

- 20.2.2. to completely indemnify the Lessee and to take its part with regard to any claim, directly and indirectly incurred or supported by the Lessee and related to the environmental condition, past, present or future, of the Leased Premises and/or related to any migration of contaminants, past, present or future, emanating from the Leased Premises, on or in surrounding properties. The Lessor also agrees to completely indemnify the Lessee and to take its part with regard to any claim, directly or indirectly incurred or supported by the Lessee and related to or consequent upon an environmental problem, including, without limiting the generality of the foregoing, any latent defect, whether attributable or not to some faulty act or omission on the part of the Lessor, including also the Lessor's failure to comply with any law, regulation, order, directive, permit, approval or standard in existence before or after the date of the signing of this lease; such a claim may also include, without limiting the generality of the foregoing, costs, expenses or damages related to the decontamination or restoration of the Leased Premises ordered by a tribunal or administrative authority or rendered necessary by one of their orders or directives or related to an interruption in the operation of the Leased Premises required for such decontamination or restoration. The Lessor acknowledges that the indemnity provided herein shall apply regardless of whether or not the Lessee is the owner of the motor fuels contained in the underground installations.
- 20.3. The successors and assigns of the Lessor and any subsequent purchasers of the Leased Premises shall be bound by the Lessor's obligations set forth in clauses 20.1 and 20.2 hereto, in a manner binding to all parties; the Lessor hereto pledges that his successors, assigns and subsequent purchasers shall sign any agreement to this end in a form and according to terms as shall be acceptable to the Lessee.
- 20.4. For the entire term of the present lease and any renewal thereof, the Lessor covenants and agrees to comply at all times with the "Liquid Fuels Handling Code" and amendments, including any regulation or law applicable to the business operated on the Leased Premises. Without limiting the generality of the foregoing, the Lessor agrees to carry out, at his expense and within the prescribed time, any change, addition or replacement, in whole or in part, of the petroleum equipment as decreed by any such law or applicable regulation; entirely with the Lessee's full exemption. In addition, should there be occurrence on the Leased Premises of any events such as, without limitation, a leak of petroleum products, some differences in inventories, the presence of hydrocarbon odors and/or of petroleum products in the observation wells, and/or any other events or situations giving rise to a reasonable doubt of a possible contamination of the Leased Premises or of an aggravation of the environmental condition of the Leased Premises, the Lessor undertakes to advise the Lessee

immediately and to proceed without delay at its cost to a verification of the underground or above ground petroleum installations and/or to a characterization of the Leased Premises, and the Lessor recognizes that the Lessee will then be under the obligation to suspend petroleum products deliveries until the situation is being re-evaluated and/or that corrections are made, as the case may be, at the satisfaction of the Lessee.

21. SPECIAL CONDITIONS

- 21.1. The Lessor agrees to proceed at its cost on the Leased Premises to the purchase and installation of the following equipments and to the following works, said works to be executed by a supplier regulated by the Technical Standards and Safety Authority (TSSA) and completed at the latest December 31st, 2015:
- Four (4) Gilbarco pumps, model Encore 500S with EMV "Crinds", Contactless Payment (Tap and Go) and Automatic Temperature Compensation (ATC);
 - One (1) complete pylon sign with concrete base;
 - One (1) new canopy with lighting boxes;
 - New underground fibre glass tanks and piping;
 - One (1) TLS-350 system with modem to send the daily fuel information to the fuel carrier;
 - Island control boxes for Bulloch system connections (Pam Box, D Box and others).
- 21.2. During the initial term of this lease, the Lessee is to reimburse to the Lessor, upon presentation of supporting invoices at the latest December 1st of each year, 50 % of the costs incurred by the Lessor for the purchase, from the Lessee's authorized supplier, of the uniforms for the operation of the Leased Premises up to a maximum amount of \$500.
- 21.3. The Lessee is to reimburse to the Lessor, upon presentation of supporting invoices at the latest one (1) year after the opening date, 50 % of the costs incurred by the Lessor for an opening promotion of the business operated on the Leased Premises up to a maximum of \$1,000.
- 21.4. Should the Leased Premises or the business be sold to a third party before the commencement date of the present lease, or any time during the initial term of the present lease, 2492167 ONTARIO LTD. shall pay to the Lessee as an administration charge an amount of \$5,000 plus applicable taxes, said amount to be invoiced by the Lessee and paid before the closing of the transfer agreement to be entered into between 2492167 ONTARIO LTD. and the third party.
- 21.5. In case of early termination of this lease for any reason including "force majeure" or in the event that the Lessor shall be in default

under any provision of this lease, the Lessor agrees to pay immediately to the Lessee the unearned portion of the investment costs in the amount of \$100,000 covering the improvements carried out by the Lessee on the Leased Premises in proportion to the remaining term of the lease. The term "unearned portion" signifies an amount equal to the sum of \$1,666.67 multiplied by the number of months or parts of months corresponding to the unexpired period of the lease term.

22. SUCCESSORS

All covenants, terms, agreements, provisions and conditions contained herein shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.

23. NOTICE

Any notice required hereunder shall be in writing and delivered in person or sent by regular mail, or by registered mail to the following addresses respectively, or by telecopier or by e-mail:

- To the Lessor, at the Leased Premises;
- To the Lessee at: 1155 René-Lévesque Blvd. West, Suite 3200 Montreal, QC H3B 0C9;

A party hereto may advise the other of a change of address.

Any notice sent by regular mail shall be deemed received five (5) working days after the date it was mailed.

24. NO WAIVER

The Lessor and the Lessee agree that no condoning, excusing or overlooking on previous occasions of breaches or defaults or other rights exercised shall be taken to operate as a waiver of any of the covenants, terms, agreements, provisos or conditions herein contained or in any way defeat or affect their rights.

25. SEVERABILITY OF COVENANTS

Any covenant, term, agreement, proviso or condition of this lease which in any way may contravene the applicable laws, rules and regulations of any jurisdiction shall be deemed severable and of no force or effect and shall not affect the validity of any other covenant, term, agreement, proviso or conditions of this lease.

26. LAW GOVERNING

This lease is governed by and shall be construed in accordance with the laws of the province of Ontario.

27. JURISDICTION

Any dispute resulting from or related to this lease is of the exclusive jurisdiction of the Courts of competent authority for and in the Judicial District of Toronto.

28. REGISTRATION

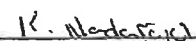
The Lessor acknowledges and agrees that the Lessee may register a notice of this lease on the title to the Leased Premises including completing the Land Transfer Tax statement (on its own behalf or as agent of the Lessor) immediately following the execution of the within lease.

IN WITNESS WHEREOF the parties have executed this lease at the places and dates indicated below.

At Richmond Hill, Province of Ontario, this 7 day of December, 2015.



Witness Peter Nivins

2492167 ONTARIO LTD.

Per: 
Karunadevi Nadarajal

At Montreal, Province of Quebec, this 9th day of DECEMBER, 2015.




Witness

CST CANADA CO.

Per: 
Serge Binette

AGREEMENT OF SUBLEASE prepared in duplicate and made

BETWEEN: **CST CANADA CO.**, an unlimited company
constituted under the laws of the Province
of Nova Scotia, HST 835 860 131,

(hereinafter called the "COMPANY"),

OF THE FIRST PART,

AND: **2492167 ONTARIO LTD.**, body corporate,

(hereinafter called the "LESSEE"),

OF THE SECOND PART.

WHEREAS the Company rents from 2492167 ONTARIO LTD., a property
located at 5818 Sheppard Avenue, city of Scarborough, province of
Ontario, M1B 4Z6, under the terms of an Agreement of lease executed on
December 9, 2006, and of which the parties declare to
have knowledge; and

WHEREAS the Lessee has requested from the Company that such
property be sublet to the Lessee;

THE PARTIES AGREE AS FOLLOWS:

1. OBJECT

In consideration of the rent and subject to the conditions hereinafter
provided, the Company leases to the Lessee, hereto accepting, the
above-mentioned property which is more fully described as follows:

DESCRIPTION

"PCL BLK 95-1, SEC M2168 BLK 95, Plan 66M2168, subject to ease
over PT BLK 95, 66M2168 as shown in broken outline formerly included
within the limits of PTS 5 & 7 66R14060 as in TB162935, SC545197
(C151519 & C151520) Scarborough, city of Toronto, PIN 06074-198;
LRO 80;

together with buildings, appurtenances, improvements and equipment
thereto,"

(hereinafter called the "Leased Premises").

2. TERM

- 2.1. This sublease is for the initial term of the Agreement of lease referred to in the above preamble (in which the Company is the Lessee) less one day to be computed from the first day of the month following the opening of the business on the Leased Premises to the public. The parties agree to confirm in writing the date of opening in order to avoid any ambiguity in this regard.
- 2.2. The Company may, at its sole discretion, renew the present sublease for an additional period of five (5) years, at the same terms and conditions as those in force at the time of the expiry of the initial term. The financial conditions, including the rental, may however be renegotiated in good faith by the parties. To exercise its option to renew, the Company shall provide the Lessee with a written notice to that effect at least ninety (90) days prior to the expiration of the initial term hereof. In the event that the parties decide to negotiate new financial conditions but are unable to agree within sixty (60) days following the exercise of this option to renew by the Company, rental payable shall be renewed for the term of the renewal.
- 2.3. Notwithstanding any provisions herein to the contrary, if less than FORTY MILLION (40,000,000) litres of gasoline and/or diesel are sold on the Leased Premises during the initial term hereof or during any renewal period of same duration, the Company may extend the term of this sublease or the term of said renewal period without any notice on a monthly basis until such time as the above volume has been reached.

3. EARLY TERMINATION

- 3.1. The Company may terminate this sublease by means of a ten (10) day written notice if:
 - 3.1.1. the Leased Premises are sold or are subject to a seizure or a sheriff's sale;
 - 3.1.2. any moveable property of the Lessee located on the Leased Premises are subject to a seizure;
 - 3.1.3. any permit required to carry on business on the Leased Premises has not been issued, renewed or has been cancelled by competent authorities;
 - 3.1.4. the Lessee fails to comply with any federal, provincial or municipal statute, law, by-law, ordinance, regulation or order including the requirements of any insurance underwriters applicable to the Leased Premises;

- 3.1.5. the Company determines in good faith that an unfair act or practice has been committed by the Lessee, his employees or agents in the Company's business at the Leased Premises;
 - 3.1.6. the Leased Premises or any part thereof are expropriated or damaged by fire or other cause rendering, in the sole opinion of the Company, the remainder, even improved, unsuitable for the purpose of its business;
 - 3.1.7. less than FOUR MILLION FIVE HUNDRED THOUSAND (4,500,000) litres of gasoline and/or diesel are sold by the Company on the Leased Premises during any sublease year;
 - 3.1.8. the Leased Premises are not operated by the Lessee for the active and continuous sale of the Company's motor fuels during normal business hours for reasons within the Lessee's control for a period of three (3) consecutive days and that the Lessee fails to remedy to the situation within three (3) days following a written notice by the Company to this effect.
- 3.2. The Company and/or the Lessee may terminate this sublease by means of a ten (10) day written notice if:
- 3.2.1. the Company and/or the Lessee is in default of any of its obligations towards the other under this sublease;
 - 3.2.2. the Company and/or the Lessee becomes insolvent or bankrupt or makes a voluntary assignment of his assets.
- 3.3. Notwithstanding the provisions hereunder, the Company may terminate this sublease on a three (3) day written notice to the Lessee should the Lessee or the gas bar operator be in default of effecting its remittances to the Company of the proceeds of the sale of petroleum products on consignment, as stipulated at clause 11 of the Motor Fuels Consignment Agreement entered into between the Lessee or the operator and the Company.

4. SUBORDINATION

This sublease shall terminate automatically upon termination of the Agreement of lease referred to in the above preamble.

5. RENTAL

- 5.1. The Lessee agrees to pay to the Company in advance a sum of FIVE DOLLARS (\$5) covering rental for the full term hereof, whereof quit.
- 5.2. The Lessee shall add to above rental payment due to Company, the applicable Harmonized Sales Tax (H.S.T.).

- 5.3. If case of early termination hereof, the Company shall reimburse to the Lessee any rental not yet earned and/or any other sums paid in advance.

6. USE

The Leased Premises shall continuously be used as a distribution point for the retail sale of petroleum products, as well as for the maintenance of motor vehicles and/or for the operation of a convenience store, and/or for the operation of a carwash, as applicable, all in compliance with applicable Laws, by-laws and regulations. No other commercial activities are to be carried on the Leased Premises without prior written consent of the Company.

7. TAXES AND CHARGES

The Lessee shall pay, when due, all taxes, special or general, assessments, permits, licenses, income taxes, inspection fees, water, heating, gas, telephone and electricity rates and charges of any kind whatsoever and generally will pay all expenses in connection with the Leased Premises or any business carried on the Leased Premises and agrees to submit to the Company proof of payment of such taxes and charges within thirty (30) days of their respective due dates.

8. LIABILITY AND INSURANCE

- 8.1. The Company will not be liable, in respect of any personal injury to or any damage suffered by the Lessee, its servants or agents, or to any other person whatsoever and the Lessee shall undertake any defence with respect to the foregoing and will indemnify and save harmless the Company from all claims to compensation or damages in respect of any such injury and all losses, costs, damages and expenses suffered, sustained or incurred by the Company in connection therewith.

During the initial term of the sublease and any extension or renewal thereof, the Lessee agrees to purchase, at its sole cost and expense, an insurance coverage against the following risks, written by insurers satisfactory to the Company:

Commercial General Liability insurance in an amount of no less than \$2,000,000 per accident or occurrence, for personal injury liability, death and property damage. Coverage shall include:

- Products and completed operations liability;
- Contingent employers liability;
- Non-owned automobile liability;
- Employee benefits liability;
- Comprehensive contractual legal liability.

Garage Owners Automobile Liability insurance in an amount of no less than \$2,000,000 per accident or occurrence covering customers vehicles and including coverage for all motor vehicles owned, leased and/or operated in the name of the Lessee.

Environmental Damage insurance covering the Leased Premises and the risk of civil liability for an amount of at least \$1,000,000. In the event the Lessee no longer benefits from the environmental damage insurance coverage during the term of the sublease, the Lessee shall be responsible for replacing, at its own expense, the underground petroleum installations.

All Risks Property insurance on all inventory, stock and equipment to their full replacement value.

Any other form or forms of insurance as the Company may reasonably require from time to time, in forms, in amounts and for insurance risks against which a prudent garage owner or operator would protect himself.

The Commercial General Liability, the Garage Owners Automobile Liability and the Environmental Damage policies shall also include endorsements adding the Company as an additional insured, a Cross Liability clause, and a waiver of subrogation. The All Risks Property policy shall include a loss payable clause in favour of the Company "as their interests may appear".

The Lessee shall furnish the Company with proof of insurance in the form of a certificate(s) of insurance for all of the aforementioned coverage which shall also require the insurer(s) to give the Company thirty (30) days prior written notice of cancellation or non-renewal of the policy(s) or of any material changes affecting the coverage provided therein. The Lessee's insurance shall be considered primary to any insurance coverage carried by the Company.

Any insurance coverage required under the terms of the present clause shall, in no manner, restrict or limit the liabilities assumed by the Lessee nor shall release the Lessee from any of its obligations under the terms of this sublease.

The Lessee will indicate by signs, notices or such other methods as are satisfactory to the Company that the business carried on in the Leased Premises is not the business of the Company and that he, the Lessee, is solely responsible for the same.

- 8.2. The Lessee agrees also to insure at its costs the Leased Premises during the term of this sublease, and any extension or renewal thereof, against all risks of loss or damage under an All Risks Property insurance policy as stipulated in clause 7 of the Agreement of Lease referred to in the above preamble.

- 8.3. If the Lessee neglects or omits to fulfill any obligations undertaken in this clause 8, the Company may carry on same at the expense of the Lessee.

9. **MAINTENANCE AND REPAIRS**

During the term of this sublease, and any extension or renewal thereof, the Lessee, at its own expense, agrees to maintain the Leased Premises in a good state of repair and assume any obligations relating to the maintenance, repair, replacement, reconstruction or improvement of the Leased Premises including any equipment belonging to the Lessee failing which the Company may perform said required works at the cost of the Lessee.

10. **DAMAGE AND DESTRUCTION**

If the Leased Premises or any part thereof shall be damaged by fire, storm, tempest or other casualty, or fall into disrepair, so as to render, in the sole opinion of the Company, the same unfit for the purposes of the Company, then and so often as the same shall happen, the Lessee will, within a reasonable delay, repair or rebuild the same at the Company's written request. The rental shall be suspended or abated until the Leased Premises have been rebuilt or made fit to the satisfaction of the Company; however, in the event of default hereunder, the Company may, if it sees fit, make such repairs as in its opinion are necessary, the whole at Lessee's costs. The Company may direct that any proceeds of insurance in respect of the Leased Premises be used to rebuild or repair the Leased Premises.

11. **OPERATIVE STANDARDS**

The Lessee agrees to comply at all times with the provisions of the "Liquid Fuels Handling Code" and amendments.

12. **PROMOTIONS**

The Lessee shall fully participate to all the promotions that the Company may implement from time to time and shall pay all related fees.

13. **ADDITIONS AND IMPROVEMENTS**

- 13.1. The Lessee shall not make any addition or improvement to the Leased Premises without prior written consent of the Company. The Lessee shall not, without said consent, paint the Leased Premises nor install any signs or advertisements.
- 13.2. The Company may erect, install or remove any construction, equipment or other improvement on the Leased Premises which are and will remain at all times the Company's property. The Company shall have the right to paint the service station and its appurtenances according to the Company's standards and to

install, maintain or remove any signs or advertisement as it may see fit.

14. TRADEMARKS

The Lessee acknowledges that the Company holds exclusive rights to all color schemes designated by the Company and to all the Company's designated logos, trademarks and trade names used on the Leased Premises. The Lessee agrees to use said logos, trademarks and trade names as directed by the Company, and agrees to remove all such color schemes, logos, trademarks and trade names from the Leased Premises at the expiration or termination hereof

15. CREDIT CARDS

The Lessee covenants and agrees to accept any valid credit card issued or explicitly authorized by the Company as per procedures as may be approved from time to time by the Company; it being understood that the Company reserves the right at any time and from time to time to advise and charge to the Lessee such fee or discount as the Company may stipulate for use and handling of credit cards. The Lessee agrees to comply with the Company credit card policies and instructions issued from time to time.

16. TERMS OF PAYMENT

16.1. The Lessee shall from time to time on request satisfy the Company's credit requirements and shall obtain and provide such information, evidence of creditworthiness, guarantees, security, consents and subordinations as the Company may require (including without limitation post dated cheques, bank debit authorizations or irrevocable and confirmed letters of credit sufficient to cover all or any payments which may become due to the Company from the Lessee hereunder or otherwise). But any credit promised or granted by the Company is entirely at its discretion and may be extended, withheld or revoked at any time without cause or notice.

16.2. The Lessee shall pay the Company late charges on any rent or other amount overdue. The late charges are calculated and payable at the end of each month until the overdue amount is paid, even after judgment. The late charge rate shall be 2% per month (24% per year) payable monthly or any lower lawful rate set by the Company from time to time.

17. RIGHT OF ENTRY

During the term of this sublease, and any extension or renewal thereof, the Company or its representatives may enter the Leased Premises, examine their state of repair and perform any maintenance, repairs or additions which it may see fit.

18. PURCHASE AND SALE OF PRODUCTS

- 18.1. The Company agrees to supply the Lessee's entire requirements of motor fuels (gasoline and diesel). Orders for motor fuels should be for full load deliveries. Other products will be ordered in wholesale quantities. All orders will be placed in time for delivery by the Company within its regular business hours, having due regard to the orders of other customers. Delivery will be made by tank, truck or by such other method as the Company selects.
- 18.2. The Lessee will, during the term of this sublease, and any extension or renewal thereof, continually and exclusively purchase or cause to be purchased from the Company and from no other, all motor fuels which shall be used, handled, stored or kept for sale on the Leased Premises and the Lessee will not purchase, receive, advertise, sell, offer to sell, deal in, handle, keep in stock or dispose of, either directly or indirectly, or permit to be purchased, received, advertised, sold, dealt in, handled, kept in stock or disposed of on or about the Leased Premises or on or about any business or businesses on any other lands or premises within ten (10) kilometres radius of the Leased Premises owned, leased, controlled, occupied or used by the Lessee or in which the Lessee may be interested, any motor fuels except such as shall have been manufactured or distributed by or sold from the Company, the intention being that as to all such motor fuels the Lessee shall purchase the same from the Company exclusively and from no other person, firm or corporation whatsoever, it being expressly declared that the foregoing covenant on the part of the Lessee is an essential consideration of the execution hereof by the Company. Furthermore, the Lessee agrees to purchase lubricating oils, automotive oils, greases and/or any other merchandises of the same type from the Company's authorized suppliers.
- 18.3. The Lessee agrees to comply with section 6, and agrees that he will keep or cause to be kept on the Leased Premises at all times a proper stock of merchandise and petroleum products of the Company. The Company agrees that Lessee may keep a proper stock of lubricating oils, automotive oils, greases and any other merchandises of the same type (except motor fuels) sold by competitors in order to meet the needs of its occasional clients, as long as those products are not displayed, advertised or promoted by the Lessee.
- 18.4. The provisions of the preceding sub-paragraph 18.2 is also an essential consideration of the entering by the Company into this sublease and since a breach of the said covenants will result in an irreparable loss to the Company, it is agreed that in the event of such breach and in addition to all other remedies, the Company shall be entitled to an injunction restraining such breach or the

continuance thereof or the payment of compensatory liquidated damages.

- 18.5. Except as may be otherwise agreed to in writing, the Lessee will pay the Company's prevailing tank wagon price for motor fuels and all taxes, duties charges or fees presently or hereinafter imposed or required to be paid or collected by the Company, by reason of the sale, delivery or use of the said motor fuels as the same may apply to the Company retail trade generally in effect at the time and point of delivery.

19. ASSIGNMENT AND SUBLETTING

Unless he has prior written consent of the Company, the Lessee cannot assign this sublease nor sub-sublet the Leased Premises.

20. FORCE MAJEURE

The Lessee and the Company shall be temporarily relieved from the provisions of this sublease in the event of force majeure, storm, flood, war, embargo, hostilities, sabotage, explosion, riot, rebellion, insurrection, or interference by any duly constituted authority. The Lessee and the Company shall be temporarily relieved from said provisions, but only to the extent that performance is delayed or prevented. In such event, the Company shall not be liable for loss or damage of any nature whatsoever, and the Company reserves the right to discontinue or prorate the supply of motor fuels or petroleum products in such a manner as the Company may, in its opinion, consider appropriate. Notwithstanding this clause 20, the Lessee shall not be relieved of his obligation to pay for products delivered and rent hereunder.

21. GOODWILL

The Lessee will make no claim against the Company for payment of goodwill upon vacating the Leased Premises.

22. NOTICE

Any notice required hereunder shall be in writing and delivered in person or sent by regular mail, or by registered mail to the following addresses respectively, or by telecopier or by e-mail:

- To the Lessee, at the Leased Premises;
- To the Company, at: 1155 René-Lévesque Blvd. West, Suite 3200, Montreal, QC H3B 0C9;

A party hereto may advise the other of a change of address.

Any notice sent by regular mail shall be deemed received five (5) working days after the date it was mailed.

23. NO WAIVER

The Company and the Lessee agree that no condoning, excusing or overlooking on previous occasions of breaches or defaults or other rights exercised shall be taken to operate as a waiver of any of the covenants, terms, agreements, provisos or conditions herein contained or in any way defeat or affect their rights.

24. SUCCESSORS

All covenants, terms, agreements, provisos or conditions contained herein shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, executors, administrators, successors and assigns.

25. SEVERABILITY OF COVENANTS

Any covenant, term, agreement, proviso or condition of this sublease which in any way may contravene the applicable laws, rules and regulations of any jurisdiction shall be deemed severable and of no force or effect and shall not affect the validity of any other covenant, term, agreement, proviso or conditions of this sublease.

26. LAW GOVERNING

This sublease is governed by and shall be construed in accordance with the laws of the province of Ontario.

27. JURISDICTION

Any dispute resulting from or related to this sublease is of the exclusive jurisdiction of the Courts of competent authority for and in the Judicial District of Toronto.

[Remainder of page intentionally left blank. Signature page to follow.]

IN WITNESS WHEREOF the parties have executed this sublease at the places and dates indicated below.

At Montreal, Province of Quebec, this 9th day of DECEMBER, 2015.



[Signature]

Witness

CST CANADA CO.

Per:

[Signature]

Serge Binette

At Richmond Hill, Province of Ontario, this 7 day of December, 2015.

[Signature]

Witness Peter Nivins

2492167 ONTARIO LTD.

Per:

[Signature]

Karunadevi Nadarajal

Rev. December 2, 2015

APPENDIX P

EARLY TERMINATION NOTICE OF SUBLEASE

TO: Parkland Fuel Corporation, having a head office in the City of Calgary, Alberta, (the "**Sublessor**")

WHEREAS: Under a sublease dated the 9th Day of December, 2015 (herein called the "**Sublease**") between CST Canada Co. (as it then was, and is now Couche-Tard Inc., called "**CTI**") as sublessor, and 2492167 Ontario Ltd. ("**249**" or "**Sublessee**") as sublessee of certain lands and premises including buildings, appurtenances, improvements and equipment thereto and located at 5818 Sheppard Ave. East, in the City of Toronto, Ontario, M1B 4Z6, and identified as PIN 06074-0198 and more particularly described in Schedule B attached hereto (the "**Leased Premises**" or "**Lands**");

AND WHEREAS: CTI assigned all of its right, title and interests in the Leased Premises and the Sublease to Parkland Fuel Corporation, and registered notice thereof against title to the Lands on November 8, 2017 as instrument number AT4728122;

AND WHEREAS: 249 is in default of certain of its obligations as sublessee under the Sublease, which defaults are more particularly described in Schedule A attached hereto (the "**Defaults**");

AND WHEREAS: The Sublessee may terminate the Sublease under Article 3 thereof;

AND WHEREAS: RSM Canada Limited was appointed as receiver and manager of the Sublessee/249 by an order of Justice McEwen of the Superior Court of Justice (Commercial List) at Toronto on the 26th day of July, 2018 (the "**Appointment Order**"), a copy of which is attached hereto as Schedule C.

NOW THEREFORE TAKE NOTICE that, due to the Defaults, the Sublease is in default. RSM Canada Limited (the "**Receiver**"), acting solely in its capacity as court appointed receiver and manager of 249 as the Sublessee under the Sublease, hereby notifies the Sublessor of its intention to irrevocably terminate and forfeit the Sublease by way of this early termination notice made in accordance with Article 3.2 of the Sublease.

AND FURTHER TAKE NOTICE that the Sublease will irrevocably terminate upon the expiry of ten (10) days from the date hereof.

DATED at Toronto, this 2nd day of November, 2018.

RSM CANADA LIMITED, solely in its capacity as court appointed receiver and manager of 2492167 Ontario Ltd. and not in its personal capacity

Per: 
 Daniel Weisz, CPA, CA, CFF, CIRP, LIT
 Senior Vice-President

SCHEDULE A
DEFAULTS UNDER THE SUBLEASE

1. Under Article 3.2.1 of the Sublease:

The following circumstances are specific defaults under the Sublease:

- i. Closure of Business Operations: All on-site gas and convenience store operations have been shut down, and there are no current operations from and following October 26, 2018. This is contrary to Articles 6 and 18.3 of the Sublease;
- ii. Maintenance and Repairs: The Receiver has discovered that 249 has not maintained the Leased Premises and appurtenances thereon in a good state of repair, including its discovery of current pervasive presence of mould, non-compliance with building standards including HVAC and electrical installations. Accordingly, the Lands are in disrepair, and are unfit for the purposes for which they were built. This is contrary to Article 9 of the Sublease;
- iii. Unfit for Occupation: By reason of the circumstances set out in ii. above, the Lands appear unfit for occupation by the Receiver, the office tenants on the Lands, and the general public. 249 has not repaired the Lands to permit safe occupation, contrary to the terms and conditions of the Sublease.
- iv. Deficiencies for Minimum Sales: 249 has failed to achieve sales of four million five hundred thousand (4,500,000) litres of gasoline and diesel during any sublease year on the Lands. Accordingly, the requirements of Article 3.1.7 of the Sublease have not been met, constituting an additional default of the Sublease.

2. Under Article 3.2.2 of the Sublease: 249 is insolvent, resulting in the issuance of the Appointment Order and appointment of the Receiver.

Accordingly, the Sublease is in default and the Receiver may issue this notice of early termination.

SCHEDULE B
DESCRIPTION OF THE LANDS

PIN: 06074-0198 LT
PCL BLK 95-1, SEC M2168 BLK 95, PLAN 66M2168

SCHEDULE C
APPOINTMENT ORDER

APPENDIX Q

EARLY TERMINATION NOTICE OF LEASE

TO: Parkland Fuel Corporation, having a head office in the City of Calgary, Alberta (the "**Lessee**")

WHEREAS: 2492167 Ontario Ltd. as Lessor ("**249**" or "**Lessor**") and CST Canada Co. (as it then was, and is now Couche-Tard Inc., hereinafter called "**CTI**"), entered into an Agreement to Lease as of the 9th day of December, 2015 (the "**Lease**") of certain lands and premises including buildings, appurtenances, improvements and equipment thereto located as PIN 06074-0198 and more particularly described in Schedule B attached hereto, otherwise known municipally as 5818 Sheppard Ave. East, in the City of Toronto, Ontario, M1B 4Z6 (the "**Leased Premises**" or "**Lands**"). Notice of the Lease was registered on title to the Lands on the 16th Day of December, 2015 as instrument number AT4097464;

AND WHEREAS: CTI assigned all of its right, title and interests in the Leased Premises under the Lease to the Lessee, and registered notice thereof on title as instrument number AT4728122 on November 8, 2017;

AND WHEREAS: The Lease is in default, which defaults are more particularly described in Schedule A attached hereto (the "**Defaults**");

AND WHEREAS: The Lessor may terminate the Lease under Article 3 thereof;

AND WHEREAS: RSM Canada Limited was appointed as receiver and manager of the Lessor by an order of Justice McEwen of the Superior Court of Justice (Commercial List) at Toronto on the 26th day of July, 2018 (the "**Appointment Order**"), a copy of which is attached hereto as Schedule C.

NOW THEREFORE TAKE NOTICE that, due to the Defaults, the Lessor and Lessee are in continuing default under the Lease. RSM Canada Limited, acting solely in its capacity as court appointed receiver and manager (the "**Receiver**") of the Lessor, hereby notifies the Lessee of its intention to irrevocably terminate and forfeit the Lease due to the Defaults by way of this early termination notice made in accordance with Article 3.2 of the Lease.

AND FURTHER TAKE NOTICE that the Lease will irrevocably terminate upon the expiry of 30 days from the date hereof.

DATED at Toronto, this 2nd day of November, 2018.

RSM CANADA LIMITED, solely in its capacity as court appointed receiver and manager of 2492167 Ontario Ltd. and not in its personal capacity

Per: _____

Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice-President

SCHEDULE A
DEFAULTS UNDER THE LEASE

1. Termination of Sublease: Early termination notice of the sublease dated the 9th Day of December, 2015 over the Lands between CTI (now Parkland Fuel Corporation) as lessor, and 249 as lessee thereunder (the "**Sublease**"), which notice is dated November 2, 2018 was delivered by the Receiver under the terms and conditions of the Sublease.
2. Deficiencies for Minimum Sales: Lessee has failed to sell Four Million Five Hundred Thousand (4,500,000) litres of gasoline and diesel on the Lands in any lease year under the Lease.
3. Maintenance and Repairs: The Parties to the Lease, including 249 as Lessor, have not maintained the Leased Premises in a good state of repair. The Receiver has discovered an existing and pervasive presence of mould, existing non-compliance with building standards including HVAC and electrical installations. Accordingly, the Lands have fallen into disrepair, and are currently unfit for the purposes for which they were built.
4. Closure of Business Operations: All on-site gas and convenience store operations on the Leased Premises have been shut down due to the state of the Leased Premises and Lands.
5. Quiet Possession: The Lessee does not have peaceable enjoyment or possession of the Leased Premises, due in part to the appointment of the Receiver under the Appointment Order. Accordingly, the Lessor is in default under Article 10 of the Lease.
6. Non-Payment of Rent: The Lessee is in default of rents due and payable under the Lease, specifically set out in Article 5 of the Lease.
7. Frustration of the Lease: Due to the Defaults hereunder, neither the Lessee nor Lessor have been able, nor are they able to hereafter perform their obligations under the Lease.

SCHEDULE B
DESCRIPTION OF THE LANDS

PIN: 06074-0198 LT
PCL BLK 95-1, SEC M2168 BLK 95, PLAN 66M2168

SCHEDULE C
APPOINTMENT ORDER

APPENDIX R

5810-5818 SHEPPARD AVENUE EAST, TORONTO

RETAIL & PLAZA GAS STATION

INVESTMENT OPPORTUNITY



Vacant
Possession
Possible for
Gas Station
and Plaza!

Value-Add
Opportunity
for a 10,900
sq. ft. Retail
Plaza

BIDS ARE DUE ON MARCH 6TH 2019, 12PM EST

CBRE

Danny Shvartsman | Sales Representative
416 495 6204
danny.shvartsman@cbre.com

Confidentiality Agreement

Potential purchasers, who require access to the online document centre and Confidential Information Memorandum are to complete the CA and return it to LSGGTA@CBRE.com

Property Tours

Please contact the Listing Agent to schedule a tour of the Property. A signed waiver is required.

Sale Disclosures

The Property is to be sold on an as-is-where-is basis. All sales are subject to court approval. The property is subject to deficiencies, including, but not limited to, HVAC, mould, electrical and fire service related violations.

Offer Submissions

Contract Listing Agent to obtain a seller's standard offer form. All offers are to be submitted to the Listing Agent: DANNY.SHVARTSMAN@CBRE.com

Offering Process

1

Offers are on March 6th 2019, 12:00 PM EST

CBRE

5810-5818 SHEPPARD AVENUE EAST | TORONTO

RETAIL PLAZA & GAS STATION

INVESTMENT OPPORTUNITY

VACANT POSSESSION POSSIBLE



CBRE

Danny Swartzman
Sales Representative
416-995-6204
danny.swartzman@cbre.com

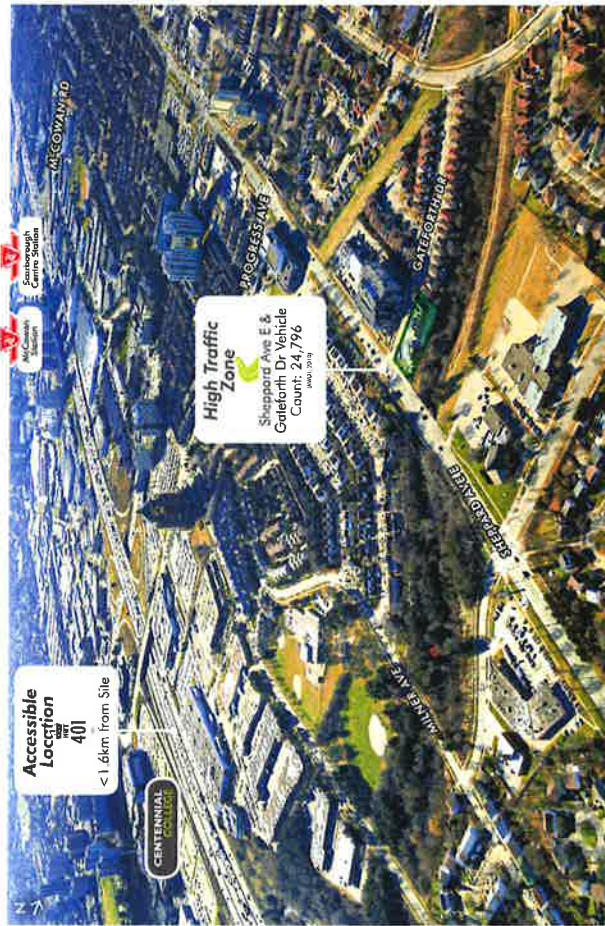
Even Stewart
Sales Representative
416-995-6205
even.stewart@cbre.com

Mike Czeschowski
Executive Vice President
416-995-6257
mike.czeschowski@cbre.com

Lauren White*
Senior Vice President
416-995-6273
lauren.white@cbre.com

CBRE Limited
2005 Sheppard Ave E
Suite 800
Toronto, ON M2J 5B4

Solates Representative, "Bocter"
 All profiles contained in the document are approximate.



5810 - 5818 SHEPPARD AVENUE EAST

The Offering

Retail Plaza & Gas Station Investment Opportunity

This offering presents an opportunity to acquire a 10,900 sq. ft. retail plaza with a recently rebuilt 10-nozzle gas station, situated along Sheppard Avenue East, just east of Markham Road, in the City of Toronto.

The Property is being sold on an "as-is, where is basis", with the possibility for vacant possession. As such, the Property offers a myriad of possibilities to investors, developers, owner occupiers and gas station operators.

The 10,900 sq. ft. retail plaza shell is constructed of a steel frame support structure with concrete floors, currently configured with 5 retail units on the ground level and partitioned offices on the second level. The retail plaza is constructed with a 5,300 sq. ft. unfinished basement with a ceiling height of nearly 10 ft. Prospective purchasers may derive a benefit from renovating, leasing and rectifying the deferred maintenance and deficiencies of the retail plaza.

The gas station at the Property was reconstructed in 2015 and is featured with 4 dispensers/10 pump nozzles under a new canopy. The gas station and its related convenience store were last in operation in October 2018. Prospective gas station operators must arrange new cross and fuel supply agreements to fully utilize the income potential

Property Overview

Size	0.62 ac. (27,093 sq. ft.)
Lot Dimensions	±114.6 ft. along Sheppard Ave E ±249 ft. along Gateforth Dr
Zoning	CR 1.0 (C 1.0; R 1.0) S53 (x465) Commercial Residential
Official Plan	Mixed Use Areas
Taxes	\$50,843.56 (2018)
Year Built	1988
Parking	20
Mortgage	Treat as clear
Income	Vacant Possession Possible
Price	Unpriced
Offer Bid Date	March 6 th 2019, 12 PM EST

All offerings are approximate.

CBRE

Retail Plaza Overview

Building Size
10,900 sq. ft.
Ground Level: 5,300 sq. ft.
Second Level: 5,600 sq. ft.
Basement: 5,300 sq. ft., 3m ceiling

HVAC
Electric, forced air

Roof
Shingles replaced in 2018

Parking
20

Year Built
1988

Value-Add Opportunity to Renovate a 10,900 sq. ft. Retail Plaza

Gas Station Overview

Fuel Dispensers
4 Gilbarco 500 Series, total of 10 Nozzles

Underground Storage Tanks
Regular (100,000 litres); double-walled fiberglass installed in 2015

Premium (25,000 litres) split with Diesel (25,000 litres); double-walled fiberglass installed in 2015

Canopy
2000 sq. ft.

Convenience Store
1,497 sq. ft. (available within Retail Plaza)

Historical Gas Sale Volumes
Please contact us to discuss.



CBRE**5810-5818 SHEPPARD AVENUE EAST | TORONTO**

1
**VACANT
POSSESSION
POSSIBLE**

RETAIL PLAZA & GAS STATION

INVESTMENT OPPORTUNITY





5810 - 5818 SHEPPARD AVENUE EAST

The Offering

Retail Plaza & Gas Station Investment Opportunity

This offering presents an opportunity to acquire a 10,900 sq. ft. retail plaza with a recently rebuilt 10-nozzle gas station, situated along Sheppard Avenue East, just east of Markham Road, in the City of Toronto.

The Property is being sold on an "as-is, where is basis", with the possibility for vacant possession. As such, the Property offers a myriad of possibilities to investors, developers, owner occupiers and gas station operators.

The 10,900 sq. ft. retail plaza shell is constructed of a steel frame with an interior with 5 retail units and 5 service bays. The retail plaza is constructed with a 5,300 sq. ft. unfinished basement with a ceiling height of nearly 10 ft. Prospective purchasers may derive a benefit from renovating, leasing and rectifying the deferred maintenance and deficiencies of the retail plaza.

The gas station at the Property was reconstructed in 2015 and is featured with 4 dispensers/10 pump nozzles under a new canopy. The gas station and its related convenience store were lost in operation in October 2018. Prospective gas station operators must arrange new cross and fuel supply agreements to fully utilize the income potential

Property Overview

Size	0.62 ac. (27,093 sq. ft.)
Lot Dimensions	±114.5 ft. along Sheppard Ave E ±249 ft. along Gateforth Dr
Zoning	CR 1.0 (C.1.0; R1.0) S53 (x485) Commercial Residential
Official Plan	Mixed Use Areas
Taxes	\$50,863.56 (2018)
Year Built	1988
Parking	20
Mortgage	Treat as clear
Income	Vacant Possession Possible
Price	Unpriced
Offer Bid Date	March 6 th 2019, 12 PM EST

CBRE

Retail Plaza Overview

Building Size	10,900 sq. ft. Ground Level: 5,300 sq. ft. Second Level: 5,600 sq. ft. Basement: 5,300 sq. ft., 3m ceiling
HVAC	Electric, forced air
Roof	Shingles replaced in 2018
Parking	20
Year Built	1988



Fuel Dispensers

4 Gilbarco 500 Series, total of 10 Nozzles

Regular (100,000 litres): double-walled fiberglass installed in 2015

Premium (25,000 litres) split with Diesel (25,000 litres): double-walled fiberglass installed in 2015

2000 sq. ft.

1497 sq. ft. (available within Retail Plaza)

Please contact us to discuss

Gas Station Overview

Underground Storage Tanks

Canopy

Convenience Store

Historical Gas Sale Volumes



Confidentiality Agreement

Potential purchasers who require access to the online document centre and Confidential Information Memorandum are to complete the CA and return it to **LSGGTA@CBRE.com**

Property Tours

Please contact the Listing Agent to schedule a tour of the Property. A signed waiver is required.

Sale Disclosures

The Property is to be sold on an as-is-where-is basis. All sales are subject to court approval. The property is subject to deficiencies, including, but not limited to, HVAC, mould, electrical and fire service related violations.

Offer Submissions

Contact Listing Agent to obtain a seller's standard offer form. All offers are to be submitted to the Listing Agent: **DANNY.SHVARTSMAN@CBRE.com**

**Offers are
due on
March 6th
2019,
12:00 PM
EST**



Danny Shvartsman
Sales Representative
416 495 6204
danny.shvartsman@cbre.com

Evan Stewart
Sales Representative
416 495 6205
evan.stewart@cbre.com

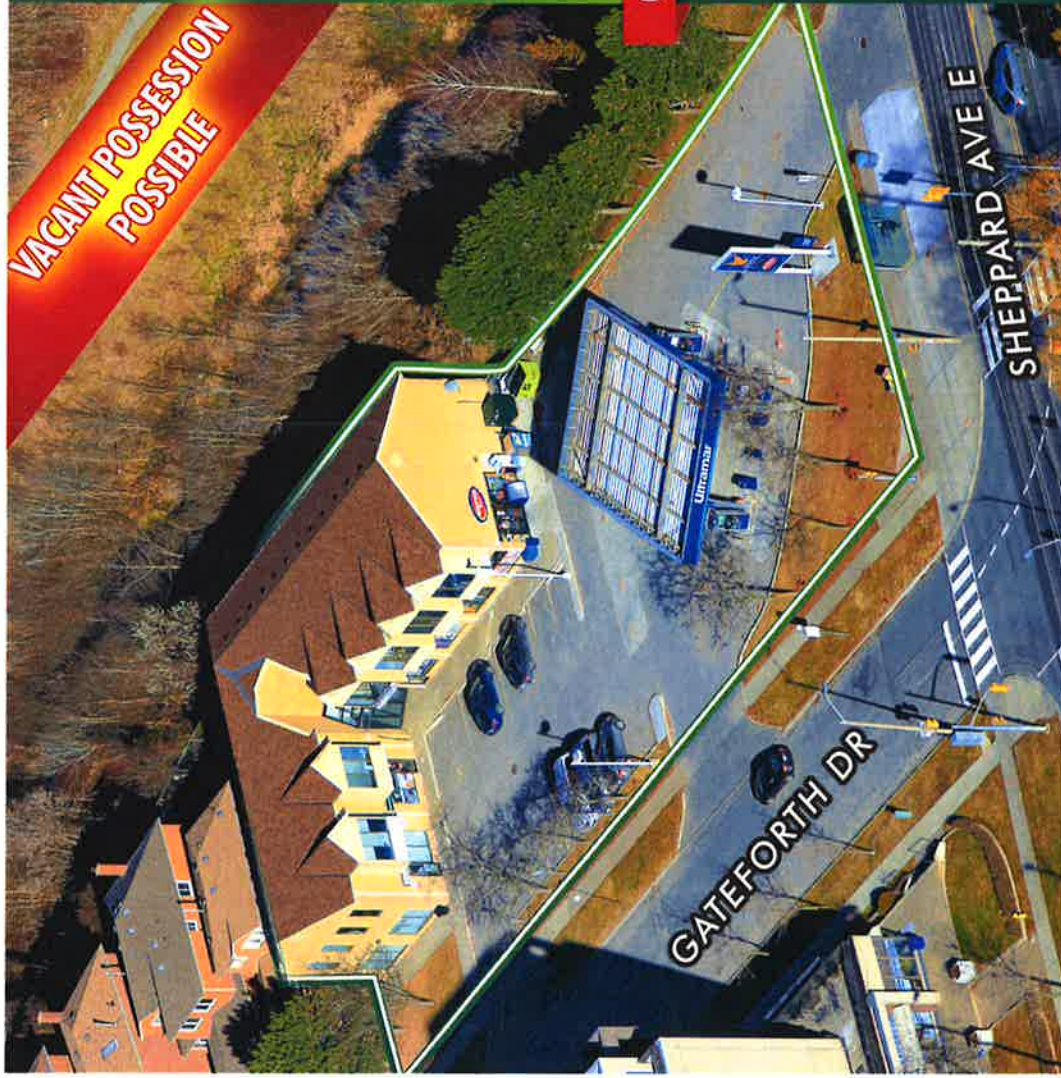
Mike Czeszchowski**
Executive Vice President
416 495 6257
mike.czeszchowski@cbre.com

Lauren White*
Senior Vice President
416 495 6223
lauren.white@cbre.com

CBRE Limited
2005 Sheppard Ave E
Suite 800
Toronto, ON · M2J 5B4

*Sales Representative, **Broker.
All outlines contained in this document are approximate.

This disclaimer shall apply to CBRE Limited, Real Estate Brokerage, and to all other divisions of the Corporation, to include all employees and independent contractors ("CBRE"). The information set out herein, including, without limitation, any projections, images, opinions, assumptions and estimates obtained from third parties (the "Information") has not been verified by CBRE, and CBRE does not represent, warrant or guarantee the accuracy, correctness and completeness of the Information. CBRE does not accept or assume any responsibility or liability, direct or consequential, for the Information or the recipient's reliance upon the Information. The recipient of the Information should take such steps as the recipient may deem necessary to verify the Information prior to placing any reliance upon the Information. The Information may change and any property described in the Information may be withdrawn from the market at any time without notice or obligation to the recipient from CBRE. CBRE and the CBRE logo are the service marks of CBRE Limited and/or its affiliated or related companies in other countries. All other marks displayed on this document are the property of their respective owners. All Rights Reserved. Mapping Sources: Canadian Mapping Services canadamapping@cbre.com; MapPoint, DMTI Spatial, Enwironics Analytics, Microsoft Bing, Google Earth (01/2019).



CBRE IS PLEASED TO OFFER FOR SALE

5810-5818
SHEPPARD AVENUE EAST
TORONTO, ON

**RETAIL PLAZA & GAS STATION
INVESTMENT OPPORTUNITY**



BUILDING SIZE
10,900 sq. ft.



GAS STATION
4 pumps, 10 nozzles



LOT AREA
0.62 ac.



ZONING
CR



PARKING
20 spaces



INCOME
Vacant Possession
Possible

Offers are due on **March 6, 2019, by 12:00 PM EST**

FOR FURTHER DETAILS, PLEASE CONTACT:

DANNY SHVARTSMAN

INVESTMENT PROPERTIES

Sales Representative

416.495.6204

danny.shvartzman@cbre.com

EVAN STEWART

LAND SERVICES GROUP

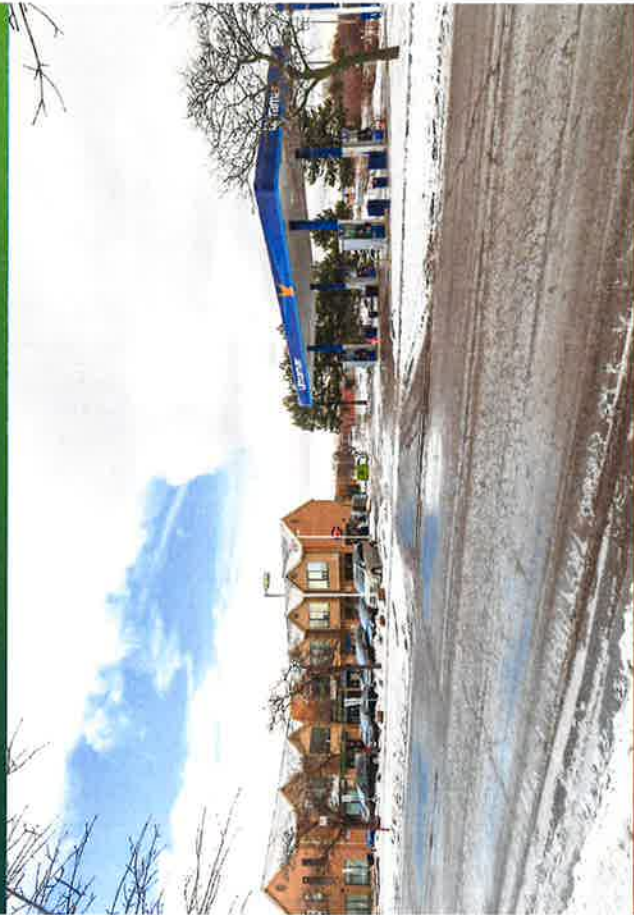
CBRE Limited
2005 Sheppard Ave E, Suite 800
Toronto, Ontario M2J 5B4

CBRE

CBRE Limited
2005 Sheppard Avenue East
Suite 800
Toronto, ON M2J 5B4



5810-5818 SHEPPARD AVENUE EAST TORONTO · ON RETAIL PLAZA & GAS STATION INVESTMENT



Offers are due on **March 6, 2019**, by **12:00 PM EST**

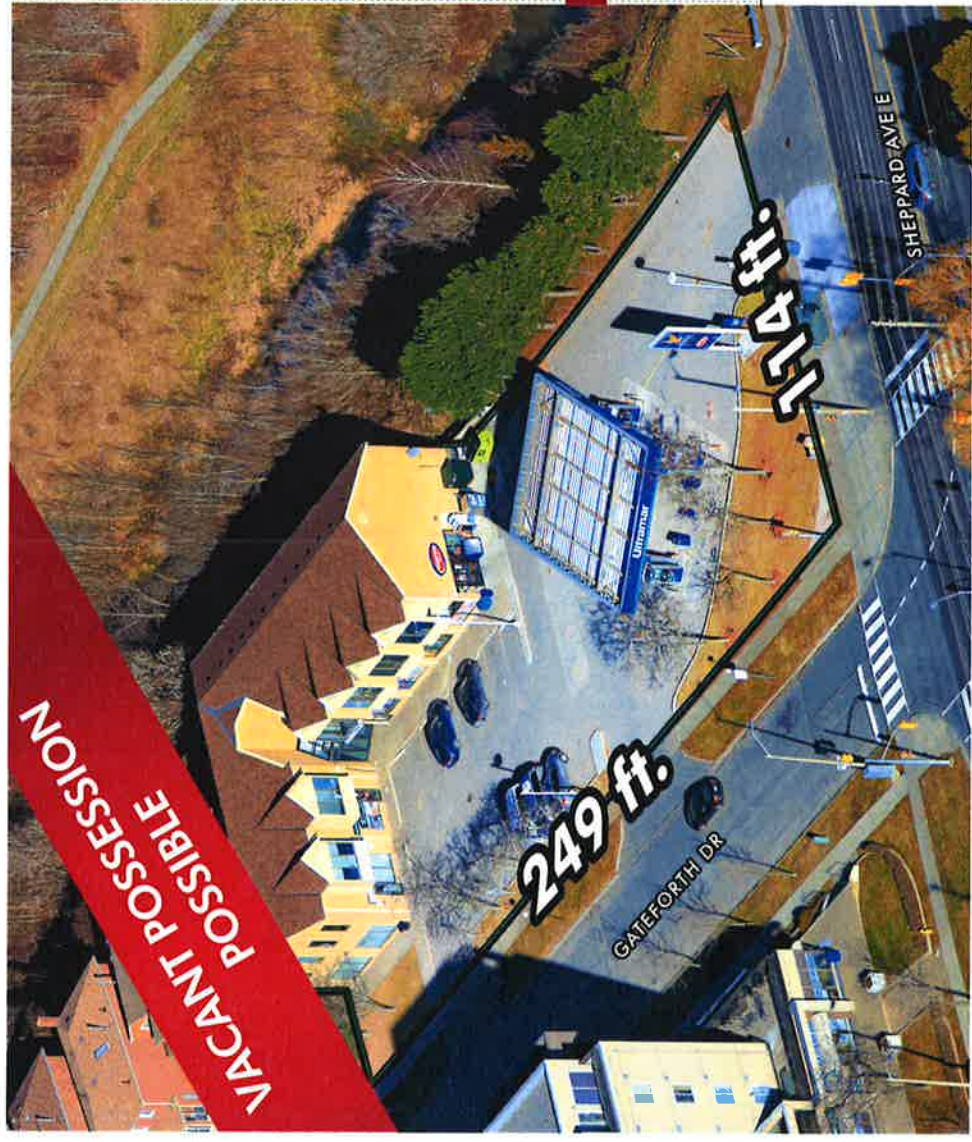
This disclaimer shall apply to CBRE Limited, Real Estate Brokerage, and to all other divisions of the Corporation; to include all employees and independent contractors of CBRE Limited. The information contained herein is for informational purposes only and does not constitute an offer of any securities. CBRE Limited and its affiliates do not accept or assume any responsibility or liability, direct or consequential, for the information or the recipient's reliance upon the information. CBRE Limited does not warrant or guarantee the accuracy, completeness and completeness of the information. The information should be taken as the recipient's responsibility to verify the information prior to placing any reliance upon the information. The information may change and any property described in the information may be withdrawn from the market at any time without notice or obligation to the recipient from CBRE. CBRE and its affiliates are not responsible for the information or the recipient's reliance upon the information. All other marks displayed on this document are the property of their respective owners. Mapping Sources: Canadian Mapping Services, Google Earth (©2019).

All outlines contained in this document are approximate.

FOR FURTHER DETAILS, PLEASE CONTACT:

DANNY SHVARTSMAN
INVESTMENT PROPERTIES
Sales Representative
416 495 6204
danny.shvartsman@cbre.com

EVAN STEWART
LAND SERVICES GROUP
Sales Representative



RESIDENTIAL & COMMERCIAL DEVELOPMENT OPPORTUNITY
— IMPROVED WITH A —

RETAIL PLAZA & GAS STATION
5810-5818 Sheppard Ave E | Toronto

Size	±0.62 ac
Frontage	± 114 ft on Sheppard Ave E ± 249 ft on Gateforth Dr
Zoning	CR 1.0 (C.1.0; R1.0) S33 (x485) Commercial Residential
Official Plan	Mixed Use Areas

OFFERS DUE MARCH 6TH 2019

VIEW BROCHURE & CA
CONTACT LISTING AGENT

Danny Shwartsman
Sales Representative
416 495 6234
danny.shwartsman@cbre.com

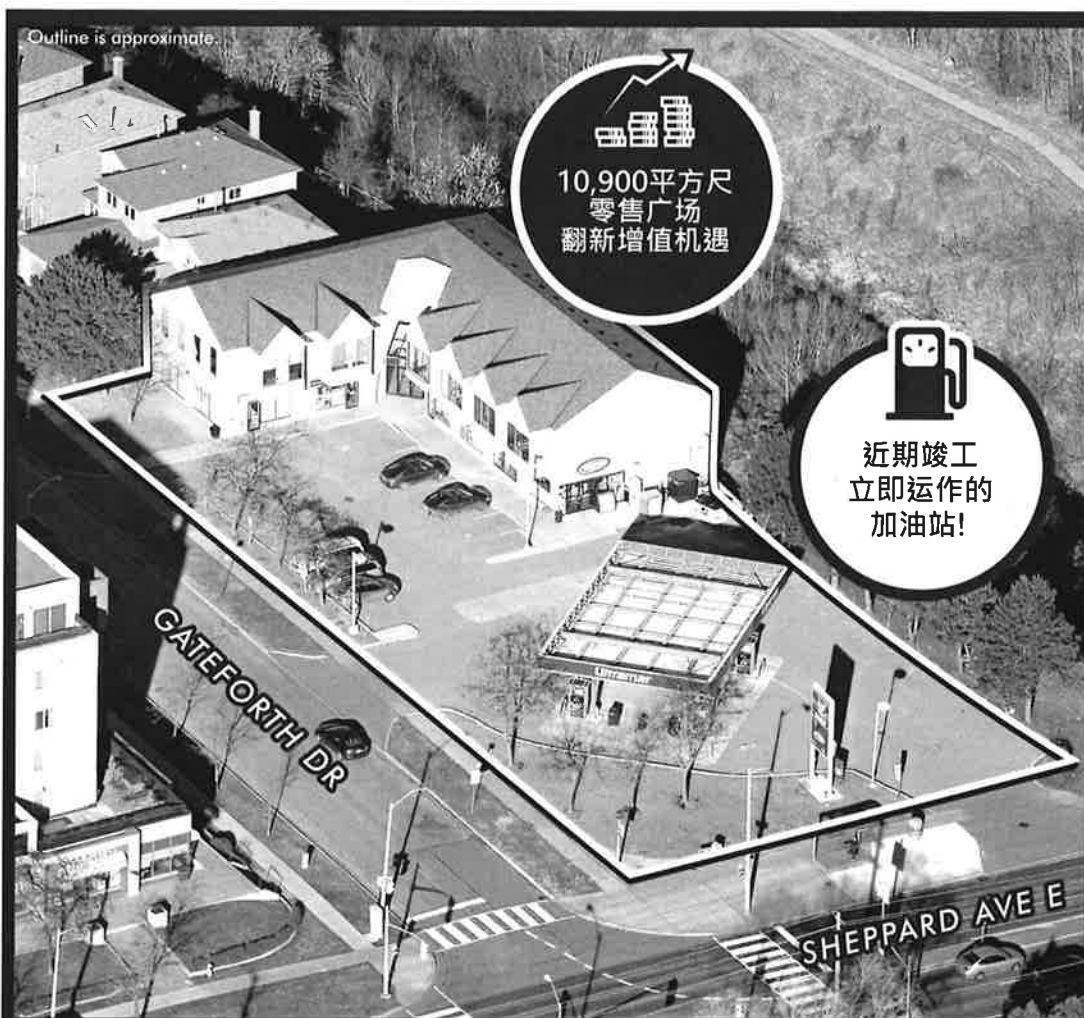
Lauren White*
Senior Vice President
416 495 6223
lauren.white@cbre.com

Evan Stewart
Sales Representative
416 495 6234
evan.stewart@cbre.com

Mike Czesnochowski**
Executive Vice President
416 495 6257
mike.czesnochowski@cbre.com

*Sales Representative **Broker
CBRE is an Equal Opportunity Employer
All services are subject to change





投资
机遇

零售广场 & 加油站



物业概述

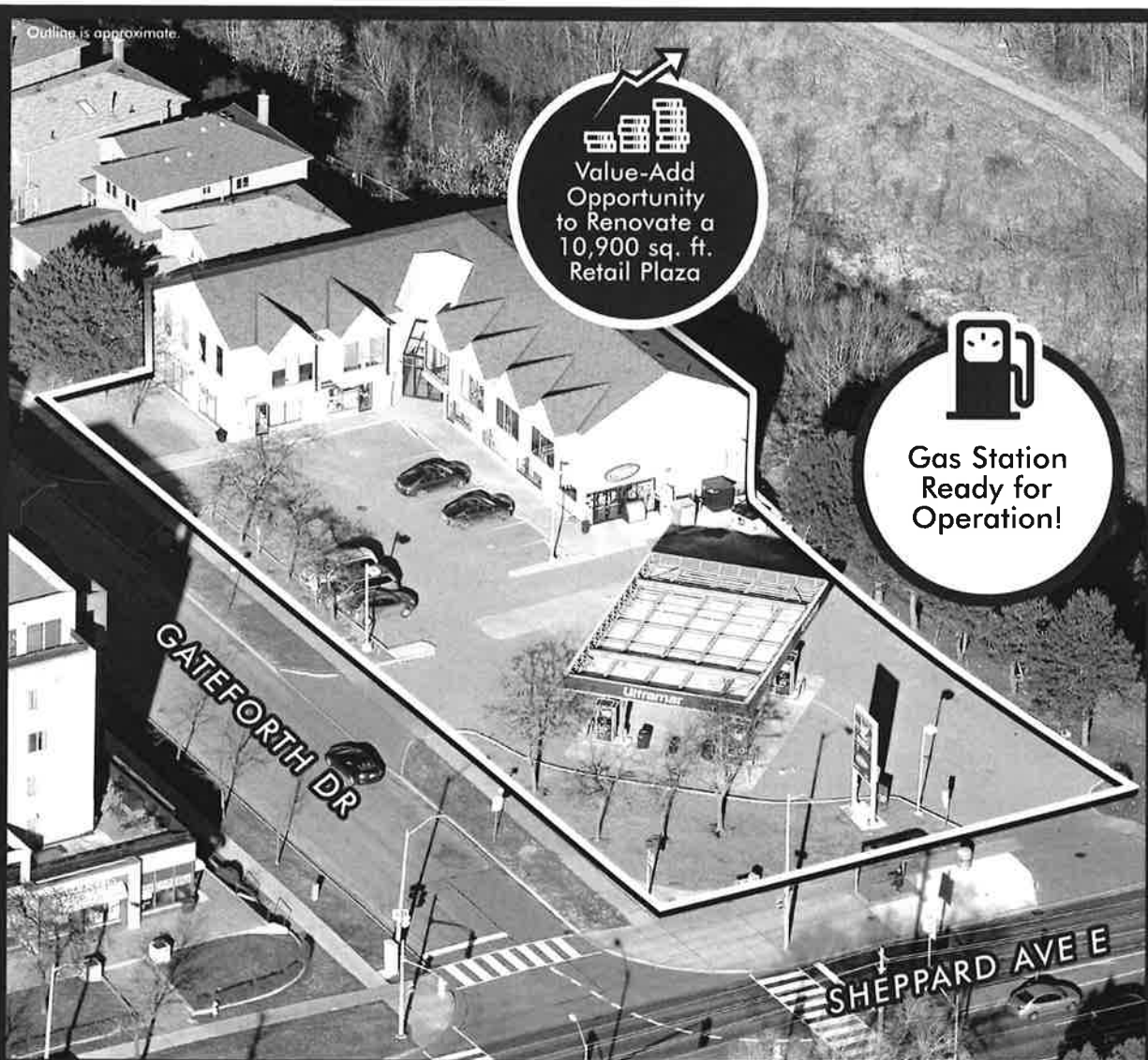
物业地址	5810-5818 Sheppard Avenue East, Toronto
土地面积	±0.62 ac.
楼宇面积	10,900 sq. ft.
土地形状	±114 ft. on Sheppard Avenue East ±249 ft. on Gateforth Drive
土地用途	Commercial Residential
土地规划	Mixed Use Areas
建立年份	1988
停车位置	20 spaces

请联系



David Wang
销售代表
416 495 6231
davidj.wang@
cbre.com

CBRE



RETAIL & PLAZA GAS STATION

INVESTMENT OPPORTUNITY

5810-5818 SHEPPARD AVENUE EAST | TORONTO

PROPERTY OVERVIEW

Address	5810-5818 Sheppard Avenue East, Toronto
Lot Size	±0.62 ac.
Building Size	10,900 sq. ft.
Frontage	±114 ft. on Sheppard Avenue East ±249 ft. on Gateforth Drive
Zoning	CR 1.0 (C.1.0; R1.0) SS3 (x485) Commercial Residential
Official Plan	Mixed Use Areas
Year Built	1988
Parking	20 spaces



CONTACT

David Wang
Sales Representative
416 495 6231
davidj.wang@cbre.com

CBRE

LAND SERVICES GROUP

FOR SALE

RETAIL PLAZA & GAS STATION

Danny Shvartsman*

Evan Stewart*

Mike Czestochowski**

Lauren White*

416 494 0600

* Sales Representative ** Broker

CBRE Limited, Real Estate Brokerage

www.cbre.ca/mclsg

CBRE

8'x8'

APPENDIX S

CONFIDENTIAL APPENDIX S
(filed under seal)

APPENDIX T

Court File No. CV-18-601436

**ONTARIO
SUPERIOR COURT OF JUSTICE**



BETWEEN:

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

and

2492167 ONTARIO LTD. and
KARUNADEVI NADARAJAL

Respondent

JUDGMENT

On reading the Statement of Claim in this action and the proof of service of the Statement of Claim on the Defendant, 2492167 Ontario Ltd., filed, and the Defendant, 2492167 Ontario Ltd. having been noted in default,

1. IT IS ORDERED AND ADJUDGED that the Defendant, 2492167 Ontario Ltd., deliver to the Plaintiff possession of the lands known municipally as 5818 Sheppard Avenue East, Scarborough, Ontario M1B 4Z6 and more particularly described as,

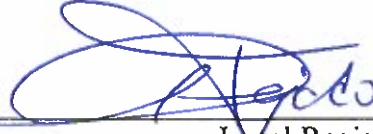
*PIN 06074-0198 (LT)
PCL BLK 95-1, SEC M2168 BLK 95, PLAN 66M2168, SUBJ TO EASE OVER
PT BLK 95, 66M2168 AS SHOWN IN BROKEN OUTLINE FORMERLY
INCLUDED WITHIN THE LIMITS OF PTS 5 & 7 66R14060 AS IN TB162935,
SC545197 (C151519 & C151520) SCARBOROUGH, CITY OF TORONTO*

2. IT IS ORDERED AND ADJUDGED that the Defendant, 2492167 Ontario Ltd. pay to the Plaintiff the sum of \$ 750.- for the costs of this action.

The costs fixed by and payable under this judgment bear interest at the rate of 3 per cent from its date.

Date SEP 20 2018

Signed by



Local Registrar

Address of
court office:

Superior Court of Justice

393 University Avenue
Toronto, ON
M5G 1E6

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

SEP 20 2018

PER / PAR:



CAMERON STEPHENS FINANCIAL
CORPORATION
Plaintiff

2492167 ONTARIO LTD. et al.
and
Defendants

Court File No. CV-18-601436

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

JUDGMENT

GARFINKLE BIDERMAN LLP

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

Jeffrey A.L. Kriwetz LSUC#: 32318V

Tel: 416-869-1234

Fax: 416-869-0547

Lawyers for the Plaintiff,
Cameron Stephens Financial Corporation

File Number: 6243-418

RCP-E 4C (May 1, 2016)

APPENDIX U



March 29, 2019

Hand-Delivered

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

Dear Sirs:

In the matter of the receivership of 2492167 Ontario Ltd. (the "Company")
Re: 5818 Sheppard Avenue East, Toronto, Ontario (the "Property")

We are writing to you solely in our capacity as Receiver and Manager of the Company (the "Receiver").

Please be advised that on March 19, 2019, the Receiver entered into an agreement of purchase and sale to sell the Property (the "Agreement"). The Agreement is subject to approval by the Ontario Superior Court of Justice (the "Court").

The Receiver's application to the Court to seek the Court's approval of the Agreement is scheduled for April 16, 2019, (the "Hearing Date"). You will be served on or before April 8, 2019, with a copy of the Receiver's Application Record, including the time and place of when and where the Application will be heard, most likely at the Courthouse, 330 University Ave. (University & Queen), 8th Floor, Toronto, Ontario.

If the Court approves the Agreement and issues an Approval and Vesting Order, the sale of the Property is scheduled to close no later than the 13th business day following the date on which the Approval and Vesting Order is granted, or such other date as may be agreed between the Receiver and the purchaser. Taking into account the Hearing Date, and the scheduled closing date for the transaction, assuming the Approval and Vesting Order is granted, the sale of the Property will likely occur on or about May 3, 2019.

In the Receiver's letter to you dated November 29, 2018, the Receiver informed you that upon a sale of the Property, a successful purchaser may want vacant possession of the commercial building and, in that case, you would be required to vacate the Property. At that time, we also provided you with a copy of the Judgment obtained by the first mortgagee of the Property, Cameron Stephens Financial Corporation, which provides for vacant possession of the Property effective upon the sale of the Property. A copy of that Judgment is attached again for your reference.

Please be advised that, pursuant to the Agreement, the purchaser of the Property is not assuming your lease or tenancy, if any. Accordingly, pending issuance of the Approval and Vesting Order, you will be required under such an order to vacate the Property prior to May 1, 2019, or earlier if so required, unless you have made other arrangements with the purchaser of the Property.

The purchaser of the Property may wish to enter into a new or revised lease agreement with you. Should you wish to remain at the premises, please contact the purchaser's agent, Sameet Saini, directly. The purchaser's agent can be reached at 905-910-1414 or on cell phone at 416-828-3727.

We will notify you of the results of the Receiver's Application for the Approval and Vesting Order required by the Agreement following the Hearing Date.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

March 29, 2019
Page 2

Should you have any questions, please contact Jeffrey Berger of the Receiver's office at 647-726-0496 or jeff.berger@rsmcanada.com.

Yours truly,

RSM Canada Limited, in its capacity as
Court-Appointed Receiver and Manager of 2492167 Ontario Ltd.,
and not in its personal or corporate capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice-President

Court File No. CV-18-601436

**ONTARIO
SUPERIOR COURT OF JUSTICE**



BETWEEN:

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

and

**2492167 ONTARIO LTD. and
KARUNADEVI NADARAJAL**

Respondent

JUDGMENT

On reading the Statement of Claim in this action and the proof of service of the Statement of Claim on the Defendant, 2492167 Ontario Ltd., filed, and the Defendant, 2492167 Ontario Ltd. having been noted in default,

1. IT IS ORDERED AND ADJUDGED that the Defendant, 2492167 Ontario Ltd., deliver to the Plaintiff possession of the lands known municipally as 5818 Sheppard Avenue East, Scarborough, Ontario M1B 4Z6 and more particularly described as,

*PIN 06074-0198 (LT)
PCL BLK 95-1, SEC M2168 BLK 95, PLAN 66M2168, SUBJ TO EASE OVER
PT BLK 95, 66M2168 AS SHOWN IN BROKEN OUTLINE FORMERLY
INCLUDED WITHIN THE LIMITS OF PTS 5 & 7 66R14060 AS IN TB162935,
SC545197 (C151519 & C151520) SCARBOROUGH, CITY OF TORONTO*

2. IT IS ORDERED AND ADJUDGED that the Defendant, 2492167 Ontario Ltd. pay to the Plaintiff the sum of \$ 750.- for the costs of this action.

The costs fixed by and payable under this judgment bear interest at the rate of 3 per cent from its date.

Date SEP 20 2018

Signed by



Local Registrar

Address of
court office:

Superior Court of Justice

393 University Avenue
Toronto, ON
M5G 1E6

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

SEP 20 2018

PER / PAR:



**CAMERON STEPHENS FINANCIAL
CORPORATION**
Plaintiff

and 2492167 ONTARIO LTD. et al.
Defendants

Court File No. CV-18-601436

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

JUDGMENT

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

Jeffrey A.L. Kriwet LSUC#: 32318V
Tel: 416-869-1234
Fax: 416-869-0547

Lawyers for the Plaintiff,
Cameron Stephens Financial Corporation

File Number: 6243-418

RCP-E 4C (May 1, 2016)

APPENDIX V

Updated October 26, 2018

Review of transactions between July 26, 2016 and July 26, 2018

Listing:

Date	Type	DR/CR	Description	Amount (including bank charges)	Previously Requested?	Information received from TD Bank	Comments
26-Jul-16	Disbursement	DR	CAD DRAFT 77649460	(20,007.50)	No		Payee is Renoworld Inc.
10-Aug-16	Disbursement	DR	Credit Card Payment	(20,000.00)	Yes		Payment to Visa card ending in "6582"
10-Aug-16	Disbursement	DR	Credit Card Payment	(15,000.00)	Yes		Payment to Visa card ending in "4762"
10-Aug-16	Disbursement	DR	BMO MC Q5H4Q9	(20,000.00)	Yes		Payment to Mastercard - appears to be to acct 5583460004713053
10-Aug-16	Disbursement	DR	Transfer	(15,500.00)	Yes		Transferree is K Nadarajah
10-Aug-16	Disbursement	DR	CAD DRAFT 77649606	(50,007.50)	No		Payee is Nesha Chandran
10-Aug-16	Disbursement	DR	CAD DRAFT 77649607	(85,007.50)	No		Payee is Anh Tuan Tran
10-Aug-16	Disbursement	DR	CAD DRAFT 77649609	(75,007.50)	Yes		Payee is Karunadevi Nadarajah
10-Aug-16	Disbursement	DR	Transfer	(70,000.00)	Yes		Transferree is K Nadarajah
12-Aug-16	Disbursement	DR	Cash Withdrawal	(50,000.00)	Yes	Yes	Receipt signed by J Nadarajal (requested 500 of \$100 bills)
18-Aug-16	Disbursement	DR	CHQ#00003-0200295085	(40,000.00)	Yes	Yes	Payee is Bedrus (sp) Construction (endorsed for deposit to Gescoro inc.)
31-Aug-16	Disbursement	DR	Transfer	(15,000.00)	Yes		On same day, there is a transfer in and transfer out for \$15,000
02-Sep-16	Disbursement	DR	Transfer	(10,000.00)	Yes		Transferree is K Nadarajah - unclear if similar amount transferred to company account that day by the individual
23-Sep-16	Disbursement	DR	Credit Card Payment	(10,560.00)	Yes		Payment to Visa card ending in "0013"
23-Sep-16	Disbursement	DR	Transfer	(21,000.00)	Yes		Transferree is K Nadarajah
17-Oct-16	Disbursement	DR	CHQ#00163-0145364903	(10,848.00)	No		Payee is John Lecount (re Appraisal)
03-Feb-17	Disbursement	DR	AMEX	(10,000.00)	Yes	Yes	It is unclear if this relates to a payment to Ultramar
06-Feb-17	Disbursement	DR	AMEX	(10,000.00)	Yes	Yes	It appears cash of \$10,000 received prior to payment of AMEX
14-Jul-17	Disbursement	DR	CAD Draft 81274370	(25,007.50)	No		Payee is Altrust Construction Ltd.
08-Aug-17	Disbursement	DR	CAD Draft 81085042	(29,491.06)	No		Payee is Cameron Stephens
22-Aug-17	Disbursement	DR	CAD Draft 81085173	(13,285.00)	No		Payee is Urban Windows and Doors Inc.
24-Aug-17	Disbursement	DR	Transfer	(12,500.00)	No		Document not found per TD
27-Feb-18	Disbursement	DR	Transfer	(19,000.00)	No		Transferree is K Nadarajah
01-Mar-18	Disbursement	DR	CAD Draft 82561814	(10,007.50)	No		Payee is Paul Parnoor
07-Mar-18	Disbursement	DR	CHQ#00479-0140364158	(50,000.00)	Yes	Yes	Mota Drywall Inc.
09-Mar-18	Disbursement	DR	CAD Draft 82561930	(50,007.50)	Yes	Yes	Payee is Kageepan Nadarajah
12-Apr-18	Disbursement	DR	CAD Draft 84639009	(16,040.36)	Yes	Yes	Payee is Anthony Reno in Trust
24-Apr-18	Disbursement	DR	CAD Draft 84639114	(25,007.50)	Yes	Yes	Payee is Mota Drywall Inc.
07-May-18	Disbursement	DR	Transfer	(10,000.00)	Yes		Transferree is K Nadarajah
17-May-18	Disbursement	DR	CHQ#00534-0145261529	(25,000.00)	Yes		Payee is Mota Drywall Inc.
18-May-18	Disbursement	DR	CAD Draft 84639418	(20,007.50)	Yes	Yes	Payee is Mota Drywall Inc.
05-Jun-18	Disbursement	DR	Transfer	(19,620.00)	Yes		Transferree is K Nadarajah
22-Jun-18	Disbursement	DR	CHQ#00512-3143363963	(14,000.00)	Yes		Payee is Mota Drywall Inc.

APPENDIX W

BADGE 105 MLS

4863 999 18 342562 -00

P.C.R. GOBIO

SUMMONS TO DEFENDANT
SOMMATION ADRESSÉE AU DÉFENDEUR (À LA DÉFENDERESE)

Under Section 54 of the Provincial Offences Act
 En vertu de l'article 54 de la Loi sur les infractions provinciales

Form / Formula 122
 Courts of Justice Act
 Loi sur les tribunaux judiciaires
 R.R.O. / R.R.O. 1990
 O. Reg. / Régl. de l'Ont. 200

ONTARIO COURT OF JUSTICE
 COUR DE JUSTICE DE L'ONTARIO
 PROVINCE OF ONTARIO
 PROVINCE DE L'ONTARIO

To 2492167 ONTARIO LTD.
 À
 of 5818 Sheppard Ave E. Scarborough, ON M1B 1H9
 de

Whereas you have been charged before me that you, / Attendu qu'une accusation a été portée devant moi selon laquelle vous avez,
 on or about / le ou vers le 10TH day of / jour de May / mai, yr. / an 2018
 at City of Toronto
 à
 did commit the offence of / commis l'infraction suivante
 PG OWNER - NO LICENCE

contrary to CHAPTER 545 OF THE CITY OF TORONTO MUNICIPAL CODE section 545-2A (31)
 par dérogation à article

And whereas it has been proved by the Prosecutor that
 Et attendu que le poursuivant a prouvé que
 (check appropriate box / cocher ce qui s'applique ici):

☒ you were summonsed to appear,
 vous avez été sommé(e) de comparaître.

☐ an undertaking to appear was given by you,
 vous avez promis de comparaître.

☐ a recognizance to appear was entered into by you.
 vous avez contracté un engagement à comparaître.

CERTIFIED TO BE A TRUE AND
 CORRECT COPY OF THE ORIGINAL

ONTARIO COURT OF JUSTICE
 PROVINCIAL OFFENCES OFFICE
 CITY OF TORONTO
 COURT SERVICES

And whereas you did not appear in the Ontario Court of Justice to answer this charge.
 Et attendu que vous n'avez pas comparu devant la Cour de justice de l'Ontario pour répondre à cette accusation.

THEREFORE you are commanded in Her Majesty's name to appear at the Ontario Court of Justice
 À CES CAUSES, ordre vous est donné, au nom de Sa Majesté, de comparaître devant la Cour de justice de l'Ontario

at 1530 MARKHAM ROAD, SCARBOROUGH, ONTARIO (location / endroit)
 à

on the 2ND day of November / novembre, yr. 2018 at 09:00 a.m. / avant-midi
 le jour de an à (hour / heure)

and to appear thereafter as required by the court in order to be dealt with according to the law.
 et de comparaître par la suite toutes les fois que le tribunal l'exigera afin que vous soyez traité(e) selon la loi.

Issued at City of Toronto
 Émise à

this 14TH day of August / août, yr. 2018
 ce jour de an

P. Marum
 Judge or Justice of the Peace in and for the Province of
 Juge ou juge de paix dans et pour la province de l'Ontario
 P. MARUM

FOR INFORMATION ON ACCESS
 TO ONTARIO COURTS
 FOR PERSONS WITH DISABILITIES, CALL
 1-800-387-4456
 TORONTO AREA 416-326-0111

POUR PLUS DE RENSEIGNEMENTS SUR L'ACCÈS
 DES PERSONNES HANDICAPÉES
 AUX TRIBUNAUX DE L'ONTARIO, COMPOSEZ LE
 1-800-387-4456
 RÉGION DE TORONTO 416-326-0111

POA 0122 CSD (rev 11/03) (posted / affichée 03/01/05)

APPENDIX X

PROPERTY DESCRIPTION: PCL BLK 95-1, SEC M2168 BLK 95, PLAN 66M2168, SUBJ TO EASE OVER PT BLK 95, 66M2168 AS SHOWN IN BROKEN OUTLINE FORMERLY INCLUDED WITHIN THE LIMITS OF PTS 5 & 7 66R14060 AS IN TB162935, SC545197 (C151519 & C151520) SCARBOROUGH , CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER: RECENTLY: FIRST CONVERSION FROM BOOK

FEE SIMPLE

ABSOLUTE

OWNERS' NAMES CAPACITY SHARE

2492167 ONTARIO LTD.

PIN CREATION DATE:
1992/01/27

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
EFFECTIVE	2000/07/29	THE NOTATION OF THE	"BLOCK IMPLEMENTATION DATE" OF 1992/01/27 ON THIS PIN			
WAS REPLACED WITH THE		"PIN CREATION DATE"	OF 1992/01/27			
** PRINTOUT	INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **					
C238352	1985/10/11	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
C238353	1985/10/11	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
C419240	1987/10/06	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
C430653	1987/11/24	NOTICE AGREEMENT			THE CORPORATION OF THE CITY OF SCARBOROUGH	C
66R15394	1988/08/22	PLAN REFERENCE				C
AT2322378	2010/03/08	APL CH NAME INST		SUNOCO INC.	SUNCOR ENERGY PRODUCTS INC.	C
REMARKS: C826181.						
AT4091553	2015/12/10	TRANSFER	\$4,800,000	PETROGOLD INC.	2492167 ONTARIO LTD.	C
REMARKS: PLANNING ACT STATEMENTS.						
AT4097464	2015/12/16	NOTICE OF LEASE		2492167 ONTARIO LTD.	CST CANADA CO.	C
AT4294664	2016/07/29	CHARGE	\$6,240,000	2492167 ONTARIO LTD.	CAMERON STEPHENS FINANCIAL CORPORATION	C
AT4294665	2016/07/29	NO ASSGN RENT GEN		2492167 ONTARIO LTD.	CAMERON STEPHENS FINANCIAL CORPORATION	C
REMARKS: AT4294664						
AT4724941	2017/11/03	APL CH NAME INST		CST CANADA CO.	COUCHE-TARD INC.	C
REMARKS: AT4097464.						
AT4728122	2017/11/08	NO ASSG LESSEE INT		COUCHE-TARD INC.	PARKLAND FUEL CORPORATION	C
REMARKS: AT4097464.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

06074-0198 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
AT4808931	2018/02/23	CHARGE	\$400,000	2492167 ONTARIO LTD.	PARSI, VIDA	C
AT4808932	2018/02/23	NO ASSGN RENT GEN		2492167 ONTARIO LTD.	PARSI, VIDA	C
AT4944645	2018/08/28	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	CAMERON STEPHENS FINANCIAL CORPORATION	C
ATS037237	2018/12/18	APL (GENERAL)		RSM CANADA LIMITED		

APPENDIX Y



Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

December 3, 2018

Reply To: Maurice V. Fleming
Direct Dial: 416.941.8812
E-mail: mfleming@foglers.com
Our File No. R2683/183719

To: Mr. Daniel R. Weisz
Senior Vice-President
RSM Canada Limited
11 King St. W., Suite 700, Box 27,
Toronto, Ontario, Canada, M5H 4C7

Dear Mr. Weisz:

Re: 2492167 Ontario Ltd. (the "Company")

In accordance with your instructions, we have reviewed copies of the following loan and security documents (the "**Security**") held by Cameron Stephens Financial Corporation (the "**The Secured Party**") in respect of the credit facilities extended by the Secured Party to the Company in order to determine its validity and enforceability in relation to your capacity as court appointed receiver of the Company:

- (a) A General Security Agreement from the Company to the Secured Party dated July 19, 2016 (the "**GSA**"),
- (b) Mortgage/Charge dated the 19th Day of July, 2016 in the principal face amount of \$6,240,000 (the "**Charge**"),
- (c) General Assignment of Rents and Leases dated the 19th Day of July, 2016 the "**GAR**"), and
- (d) Commitment Letter dated the 21st day of June, 2016 (the "**Commitment Letter**").

Opinion

Subject to the assumptions and qualifications hereinafter set out, we do hereby confirm and advise you as follows:

1. The GSA appears to create a good and valid security interest to and in favour of the Secured Party in all of the Company's personal property, undertaking and assets (the "**Assets**"). The GSA secures payment and performance of the obligations of the Company to the Secured Party set out in the Commitment Letter. A financing statement appears to have been registered against the Company relative to the security agreement pursuant to the provisions of the *Personal Property Security Act* Ontario (the "**PPSA**") on July 12, 2016 as registration no. 20160712170514621820 under file number 718549353,

perfecting the Secured Party's security interest in the Assets. The GSA appears to have been duly completed, and registered in accordance with the PPSA.

2. The Charge appears to create a good and valid first ranking mortgage and charge in the lands and premises located at 5818 Sheppard Ave E., Toronto Ontario, as more particularly described thereon (the "**Lands**"). The Charge has been registered on title to the Lands as instrument no. AT4294665.
3. The GAR appears to create a good and valid first ranking charge and security interest in the rents and leases on the Lands. The GAR appears to have been duly completed, and registered in accordance with the PPSA and on title to the Lands as instrument no. AT4294665.

Assumptions

For the purposes of our review and opinions, we have assumed the following:

1. All documents reviewed are those included in the schedules contained in the motion record filed with the Court on the application for appointment of the Receiver heard on July 26, 2018. Accordingly, we have assumed the completeness and accuracy of all copies reviewed, the genuineness of all signatures appearing thereon, the legal capacity of natural persons who are signatories, the conformity of such copies reviewed to the actual original documents, and the authenticity of all of the originals of such copies;
2. That all necessary corporate proceedings were taken to authorize the execution and delivery of the Security;
3. That we have been provided with all documentation affecting the validity or enforceability of the Security, and there are no verbal agreements varying their terms and provisions;
4. That valuable consideration was given by the Secured Party to the Company in return for the execution and delivery of the Security;
5. That the Company had the corporate power and capacity to borrow money in Ontario, to provide the Security and to execute and deliver same, and to perform the covenants contained therein on its part to be performed;
6. That there are no laws other than those of Ontario and those of Canada applicable in Ontario that would limit or affect the enforceability of the Security; and
7. That the Company owned all collateral over which the Secured Party was granted a security interest.

Searches

We have not conducted any independent searches against the Company or the Assets or Lands, but have relied entirely upon copies thereof as filed with the Court to date in respect of the Appointment Order of the Court by the Honourable Mr. Justice McEwen dated the 26th Day of July, 2018.

Further Qualifications

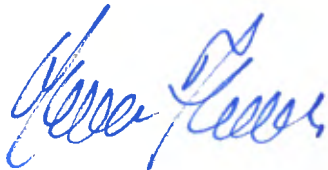
The opinions expressed herein are also subject to those set out in Schedule A attached hereto, and the following additional qualifications:

1. We express no opinion as to whether the Secured Party's security can be attacked under the *Bankruptcy and Insolvency Act* (Canada) or any other federal or provincial legislation as a fraudulent conveyance, preference or otherwise;
2. We express no opinion as to the priority of the Secured Party's security as against unregistered statutory trusts or liens; and
3. We express no opinion as to the validity of any security interest in any contractual rights or crown debts, which, by their terms, cannot be the subject of a security interest without the consent, authorization or approval of third parties.

We trust the above is satisfactory for your purposes. Should you have any questions with respect to our opinion, please do not hesitate to contact us at your convenience.

Yours very truly,

FOGLER RUBINOFF LLP



Per: Maurice V. Fleming

Schedule “A”

GENERAL ASSUMPTIONS

Genuineness and Authenticity

We assume the genuineness of all signatures and the authenticity of all documents or copies thereof.

Equity and other Statutory Limitations

The opinions herein expressed are subject to any equities between the parties of which we have no notice or knowledge.

Proper Corporate Authorization

We assume that the Security has been executed by proper signing officers of the Company and duly authorized by all necessary corporate action and that the individuals signing any documents had the legal capacity to do so and that the authorization, execution and delivery of the Security by the Company, or any of them, and the performance of their obligations thereunder, does not breach any constating or trust documents of the Company or any laws to which the Company are subject.

Accuracy of PPSA Register and Public Records

We have assumed the accuracy of all public records, indices and filing systems as filed with the Court, and which the Applicants as Secured Party have searched or have caused inquiries to be made and that same are current. We also assume that the registrations disclosed by the copied PPSA searches as reviewed accurately reflect the contents of and all registrations affecting the Company.

Laws of Ontario and Canada

The opinions expressed herein are: i. limited to property of the Company located in the Province of Ontario, and ii. limited to the laws of the Province of Ontario and all federal laws applicable therein.

Attachment

We assume that the Company either owned or had rights akin to ownership in respect of the Assets to permit the security interests created to and in favour of the Secured Party to 'attach', within the meaning of the PPSA.

Consideration and Outstanding Indebtedness

We assume that consideration was given by the Secured Party to support the granting of the Security, and that the Company has remain indebted to the Secured Party for the amounts claimed in materials filed with the Court to date.

GENERAL QUALIFICATIONS

1. The effect of any applicable bankruptcy, insolvency, reorganization, preference, moratorium, liquidation or similar laws relating to or affecting creditors' rights generally.
2. The equitable and statutory powers of the courts to stay proceedings before them.
3. The execution of judgments and equitable remedies, such as specific performance and injunctions, which are available only at the discretion of a court of competent jurisdiction.
4. The equitable and statutory powers of the courts to relieve against penalties or forfeiture and to impose such terms as the court sees fit.
5. The powers of a receiver being circumscribed by or subject to the review of the court.

APPENDIX Z

CAMERON MORTGAGE
STEPHENS CAPITAL LTD.

25 Adelaide Street East, Suite
600 Toronto, ON
M5C 3A1

Garfinkle, Biderman LLP
Dundee Place, Suite 601
1 Adelaide Street East
Toronto, ON M5C 3A1
Attn: Avrom Brown

Issue Date: November 9, 2018

MORTGAGE STATEMENT FOR INFORMATION PURPOSES

AS AT November 9, 2018

Mortgage No. 3498-61

Maturity Date:
August 1, 2018

Name:

2492167 Ontario Ltd.

Rate: 7.7500%
Per diem: \$1,280.95

Principal Balance	\$	5,200,000.00
March Remaining Interest	\$	108.78
April Remaining Interest	\$	28,245.26
May Interest	\$	32,214.55
June Interest	\$	31,367.34
July Interest	\$	32,731.50
August Interest	\$	34,535.92
September Interest	\$	35,347.55
October Interest	\$	37,027.57
November Interest	November 1-9, 2018 8 Days	\$ 9,959.27
NSF Fees	March and April 2018	\$ 200.00
Chargeback Receivership - RSM Canada Limited - CSMC CHQ#5658		\$ 11,535.00
Chargeback Receivership - RSM Canada Limited - HT CHQ#100160351		\$ 63,465.00
Chargeback Receivership - RSM Canada Limited - CSMC CHQ#5696		\$ 299,954.00
Chargeback Receivership - RSM Canada Limited - October 25, 2018		\$ 225,046.00
Chargeback - Tert & Ross Limited - Invoice#18 0326		\$ 1,305.15
Future Receivership Costs for November 2018		\$ 179,213.00
Future Legal Costs (remainder November 2018)		\$ 15,000.00
Legal Costs to date (up to November 8, 2018)		\$ 89,971.99
Discharge Fee		\$ 550.00
TOTAL AMOUNT OUTSTANDING	\$	6,327,777.88

PLEASE NOTE:

- (1) This statement is for information purposes only and should not be used for Discharge or Assumption purposes.
(2) This statement will need to be revised if any further transactions occur on or after November 9, 2018

Per:

Jacques Saupier
Team Lead, Loan Servicing

Per:

Giuliana Mauro
AVP, Loan Funding and Servicing

E. & O.E.

APPENDIX AA

RSM Canada Limited
Court Appointed Receiver and Manager of 2492167 Ontario Ltd.
Interim Statement of Receipts and Disbursements
For the period July 26, 2018 to March 31, 2019

Receipts	
Advances from secured lenders	\$ 600,000
Fuel Sales	500,589
Store Sales	43,945
Commission Revenue	15,770
Rent	44,032
Miscellaneous	2,621
Interest	1,119
HST collected	13,312
Total receipts	\$ 1,221,388
Disbursements	
Insurance	\$ 14,889
Miscellaneous	8,535
Store purchases	66,535
Fuel purchases	500,589
Property management fees	42,677
Property taxes	63,818
Utilities	24,589
Repairs and maintenance	124,075
Security and possession	54,700
Wages	27,441
Receiver's fees (to August 31, 2018)	88,915
Legal fees (to September 30, 2018)	93,534
HST paid	61,691
Total disbursements	\$ 1,171,987
Net cash on hand	\$ 49,401

Total professional fees outstanding (incl. HST) through November 30, 2018:

RSM Canada Limited	
September 1 - 30, 2018	46,975
October 1 - 31, 2018	66,046
November 1 - 30, 2018	47,494
Total outstanding Receiver's fees	160,515
Fogler Rubincoff LLP	
October 1 - 29, 2018	51,735
October 29 - November 26, 2018	42,082
Total outstanding legal fees	93,817
Total outstanding professional fees	254,332

APPENDIX BB

Court File No. CV-18-601116-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and -

2492167 ONTARIO LTD.

Respondent

AFFIDAVIT OF DANIEL WEISZ
(Sworn April 4, 2019)

I, **DANIEL WEISZ**, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice-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 July 26, 2018, RSM was appointed receiver and manager (the "**Receiver**"), without security, of all of the assets, undertakings and

properties of 2492167 Ontario Ltd. (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 September 1, 2018 to February 28, 2019 (the "**Period**"). The total fees charged for the Period are \$190,968.50 plus HST of \$24,825.91 for a total of \$215,794.41. The average hourly rate charged during the Period was \$331.77.

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 4th day of April, 2019

A Commissioner, etc.

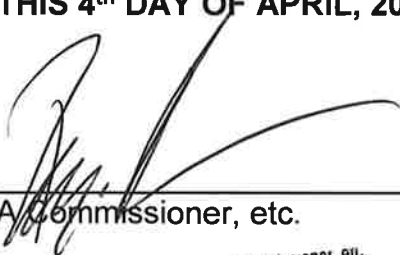
Bryan Alan Tannenbaum, a Commissioner in the
Province of Ontario, for RSM Canada Limited
and RSM Canada Limited
Expires January 5, 2021

)
)
)
)
)
)
)



DANIEL WEISZ

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF DANIEL WEISZ SWORN BEFORE ME
THIS 4th DAY OF APRIL, 2019**



A Commissioner, etc.

Bryan Allan Tannenbaum, a Commissioner, etc.
Province of Ontario, for RSM Canada LLP
and RSM Canada Limited.
Expires January 5, 2021.



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

316

To 2492167 Ontario Ltd.
c/o RSM Canada Limited
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date October 16, 2018

Client File 784-102-3

Invoice 3

No. 5489434

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2492167 Ontario Ltd. ("249") for the period ending September 30, 2018.

Date	Professional	Description
09/04/2018	Jeff Berger	Review of customer complaints regarding the Ultramar station and corresponding with N. Doke of Parkland Fuel Corporation ("Parkland") and N. Jinna regarding same; review of correspondence from the tenant of unit 202 regarding the termination of his lease; reconciling fuel sales, store sales, and cash deposits for the period of August 31 - September 3; attending on site to meet with an HVAC engineer; attending at the City of Toronto's offices in Scarborough to submit a request for building records relating to 5818 Sheppard Avenue East.
09/04/2018	Donna Nishimura	Deposit cheques at the bank.
09/04/2018	Daniel Weisz	Discussion with J. Berger on status of Green Monkey, faucet leak; review email from Sarega School of Fine Arts re its vacating the premises; meet with B. Wong and J. Berger to discuss the status of various matters; email to M. Fleming of Fogler Rubinoff LLP ("Foglers") re Green Monkey status; review files and draft response to T. Ryder of Cameron Stephens Financial Corporation. ("Cameron Stephens") re information request; work on report to court; discussion with M. Fleming re Green Monkey.
09/04/2018	Brenda Wong	Meet to discuss status and information available to provide to brokers; prepare draft Confidentiality Agreement ("CA") and send to M. Fleming for review; review draft response re information required for due diligence; discussions with J. Berger and D. Weisz re store operations; call and email to W. Behno re sourcing operations manager.
09/05/2018	Jeff Berger	Attending on site to change locks to the premises occupied by Green Monkey; corresponding with Toronto Police regarding substances located within the Green Monkey's unit, as well as the assault and robbery of a tenant that occurred that morning; memo to file regarding the events that transpired on site.

October 16, 2018
 Invoice 3
 Page 2

Date	Professional	Description
09/05/2018	Daniel Weisz	Meet with J. Berger to discuss his attendance at the premises re Green Monkey, Parkland reconciliation, management of the facility, letter to be issued to tenant re security cameras; conference call with M. Fleming and J. Berger re Green Monkey; discussion with T. Ryder re communications with CBRE and status update; process payment to Parkland and email to Parkland re same; discussion with J. Berger re assault at premises and exchange emails with M. Fleming re same; work on report to court; discussions with J. Berger from the premises including call with M. Fleming.
09/05/2018	Brenda Wong	Review August 30 settlement payment request; send CA to CBRE and Lennard.
09/06/2018	Jeff Berger	Attending on site to meet with the Toronto Police re substances located in unit 104; corresponding with D. Weisz and M. Fleming regarding same; reviewing settlement reports for the period of August 31 - September 3, 2018 and discussing same with B. Wong and D. Weisz; draft letter to former employees regarding the Wage Earner Protection Plan ("WEPP") and discussing same with B. Wong; review of draft update to secured lenders from D. Weisz.
09/06/2018	Daniel Weisz	Discussion with B. Wong on the status of various matters; discussion with J. Berger re his attendance at the premises including discussion with M. Fleming re police request for access to security camera; discussion with J. Frymer and follow up email; review information sent by TD Bank and summarize same; discussion with J. Berger re his attendance at the premises today; prepare summary update and send to lenders; conference call with M. Fleming re removal of remaining items by Green Monkey.
09/06/2018	Brenda Wong	Prepare Receiver Certificates re advances received to date; review payroll for period ending September 2; discussions with D. Weisz and J. Berger re status; review emails from brokers; respond to message from Canada Revenue Agency ("CRA") re contact information for debtor; discussion with N. Jinna re payroll, emails to N. Jinna re revisions to payroll and copies of employment contracts required, recalculating payroll; review August 31 to September 3 fuel settlement payment request; review draft WEPP letter to employees.
09/07/2018	Cindy Baeta	Post deposits in Ascend; prepare disbursement cheques.
09/07/2018	Jeff Berger	Review of the Receiver's First Report; phone call with D. Weisz and M. Fleming to discuss the change of locks to the premises of Green Monkey and other issues relating to tenants of the property; corresponding with Sobeys and Imperial Tobacco regarding orders for the Express Mart store; corresponding with the tenant of units 201/203 regarding the removal of unauthorized surveillance cameras and discussion with D. Weisz regarding same; finalizing the WEPP package for former employees of the debtor.
09/07/2018	Donna Nishimura	Deposit cheque at the bank; prepare and send out WEPP letter to employees.
09/07/2018	Daniel Weisz	Review correspondence from TD re balance of information requested; discussion with J. Berger re tenancies and repairs status; review draft email to tenant with cameras in common areas and discussion with J. Berger re same; review and sign cheques; update report to court; review emails re Green Monkey; conference call with M. Fleming and J. Berger to discuss removal of assets by Green Monkey.
09/07/2018	Brenda Wong	Update payroll schedule and prepare cheque requisitions for processing of payroll, Ultramar settlements and TD invoice; email to CBRE re information

October 16, 2018
 Invoice 3
 Page 3

Date	Professional	Description
		requested; email and discussion with Lennard re information requested; review and sign disbursement cheques.
09/08/2018	Daniel Weisz	Update report, exchange emails re security camera re unit 104.
09/10/2018	Brenda Wong	Review email correspondence; review emails re GFL garbage contract; review draft report, make revisions and send to M. Fleming for review, prepare affidavit of fees; review GFL service contract and send to M. Fleming for review; call and email to GFL re receivership and continuation of service contract; review emails re unit 201/203 and send copies of lease, correspondence to M. Fleming; discussions with D. Weisz and J. Berger re tenant unit 201/203 and additional changes to draft report.
09/11/2018	Brenda Wong	Update rent roll and send out reminder letters to tenants who have not paid September rent; call from GFL to clarify re status; respond to emails from R. Boston and calls from R. Boston re revisions to the lease and status of his lease; emails with N. Jinna re rent cheques received; call from CRA re HST account not set up, refaxing request for RT0002 account to CRA; discussion with W. Behno re gas station manager's responsibilities and staffing and operations; check references to source documents to draft report; review summary of activities; update statement of Receipts and Disbursements.
09/12/2018	Daniel Weisz	Meet with B. Wong and J. Berger (by phone) re the status of repairs to the property, removal of assets by Green Monkey, email from QDR Entertainment; review summary of activities; update affidavit of fees; discussion with M. Fleming on report to court and relief to be sought; update report to court; review draft notice of motion and draft order and provide comments to Foglers; finalize report to court and meet with M. Fleming to discuss same and status of the Green Monkey, and Parkland right of first refusal; prepare update to lenders and send.
09/12/2018	Brenda Wong	Discussions with D. Weisz, J. Berger and M. Fleming re status; checking report to source references; discussion with J. Berger re GFL status; calls from GFL re existing contract and resumption of service; review Foglers changes to report; make revisions to report; respond to email from tenant R. Boston.
09/13/2018	Daniel Weisz	Discussion with J. Berger re status of repairs and additional costs re roof; email to Foglers re status of notice of motion; discussion with J. Berger re his attendance at the premises; sign letter re Sobeys order; attend conference call with B. Wong, L. White and D. Shvartsman of CBRE.
09/13/2018	Brenda Wong	Call with D. Weisz and CBRE re questions on property.
09/13/2018	Jeff Berger	Arranging for GFL to attend on site and remove the excess garbage; meet with Pronto General Contractors ("Pronto") to review the status of mould remediation and other repairs; meeting with the roofing company to discuss the status of roof repairs; review of drawings from Toronto building records' office.
09/14/2018	Cindy Baeta	Post deposits in Ascend; prepare bank reconciliation; prepare disbursement cheque.
09/14/2018	Daniel Weisz	Discussion with J. Berger re drywall at the premises and impact on operations; conference call with J. Berger and representatives of Pronto re state of the building, conference call with J. Berger and M. Fleming re same, Green Monkey and security camera; email to T. Ryder re same; discussion with

October 16, 2018
 Invoice 3
 Page 4

Date	Professional	Description
		J. Berger re mould inspectors; process payment to Ultramar; discussion with J. Berger re inspection at premises tomorrow.
09/14/2018	Brenda Wong	Review online bank statements and follow up re cash deposits made and NSF rent cheque; follow up with BMO re wire transfer to be processed; emails with Xtreme Media re replacement for NSF cheque; review Parkland settlement request for payment; review online banking for processing of Sobeys wire transfer.
09/14/2018	Jeff Berger	Corresponding with G. Abbiento of Pronto to discuss the status of repairs on site; discussion with D. Weisz regarding additional mould identified on the property; corresponding with Imperial Tobacco and Ontario Lottery and Gaming Commission regarding the status of the Receiver's request to open an account; corresponding with the owner of the Green Monkey regarding the status of the contents in the unit; review of emails from the tenant of unit 201/203 and discussion with B. Wong regarding an appropriate response to same.
09/15/2018	Jeff Berger	Attending on site to meet with G. Abbiento and A. Pike of Decon Environmental re assessment of the mould; arranging for samples of mould to be tested; review the status of roof repairs; meeting with S. Bains of SG security to review the updated surveillance system on site.
09/16/2018	Jeff Berger	Reconciling the fuel settlements for September 4 - 11, 2018; discussion with B. Wong regarding mould inspections, notice to tenants regarding repairs to the property, and bookkeeping requirements for the convenience store operations; drafting a notice to tenants regarding repairs to the property.
09/17/2018	Jeff Berger	Attending on site to meet with G. Abbiento, A. Pike, and S. Hauck of OnPoint Environmental Solutions to review the mould on site and obtain a quote for a formal assessment of same; meeting with N. Jinna regarding the outstanding operating reports for the gas station/convenience store.
09/17/2018	Brenda Wong	Review memo re mould inspection and email to insurance broker re enquiring re coverage for mould remediation; call from J. Berger re insurance claim and review documents for history and send to J. Berger; email to GFL re service contract; emails and discussion with W. Behno re finding a replacement store manager.
09/18/2018	Jeff Berger	Review of mould assessment proposal from OnPoint Environmental Solutions and discussing same with B. Wong; review of cash reconciliations with B. Wong.
09/18/2018	Brenda Wong	Review cash reconciliation report with J. Berger; review OnPoint proposal for mould remediation and send to M. Fleming to review; discussion with W. Behno re potential operator for the station.
09/19/2018	Cindy Baeta	Update Excel spreadsheet re daily sales.
09/19/2018	Daniel Weisz	Review proposed agreement with mould contractor and discussion with B. Wong on same.
09/19/2018	Brenda Wong	Review and update sales/cash reconciliation schedule; review M. Fleming email response and discussion re mould remediation contract and forward revised contract to D. Weisz to review and discussion with D. Weisz re changes; attend in Court for application; meet with C. Baeta to review sales/cash reconciliation schedule and update required and discussions re same; review payroll.

October 16, 2018
 Invoice 3
 Page 5

Date	Professional	Description
09/20/2018	Jeff Berger	Receipt and review of blueprints from the City of Toronto, and forwarding same to the HVAC engineer; reconciling the fuel settlements for the period of September 12 - 18, 2018.
09/20/2018	Daniel Weisz	Meet with B. Wong and J. Berger to discuss the status of the receivership and outstanding issues; discussion with T. Ryder on status; discussion with M. Fleming re quote re mould; review email re available manager; review information provided by TD Bank and update schedule; prepare update report to Cameron Stephens; update receiver certificates; discussion with J. Berger re potential electrical issues.
09/20/2018	Brenda Wong	Email to M. Fleming re OnPoint response to Receiver's changes to proposal and discussion with D. Weisz re same; make revisions to cash reconciliation schedule; meet with D. Weisz and J. Berger to review status; review email from and discussion with W. Behno re operator and term of contract; review weekly update; review payroll and prepare paperwork to submit for processing; prepare employee employment letter.
09/21/2018	Cindy Baeta	Prepare disbursement cheques.
09/21/2018	Jeff Berger	Attending on site to meet with the HVAC engineer; review of the proposal from OnPoint Environmental consultants and discussion with D. Weisz and B. Wong regarding same; review of cash reconciliation with C. Baeta.
09/21/2018	Asiyya Pisani	Review TD bank statements for transactions requiring investigation.
09/21/2018	Bryan Tannenbaum	Sign cheques.
09/21/2018	Daniel Weisz	Review management services agreement; sign cheques; discussion with J. Berger re status of quotes re mould testing; sign and forward Receiver Certificates to Cameron Stephens and Home Trust; discussion with J. Berger re his attendance at the premises.
09/21/2018	Brenda Wong	Email to J. Berger re identifying deposits made by N. Jinna; review request for payment of settlement reports and forward to D. Weisz and C. Baeta for processing and posting; call from broker seeking information re broker's client's interest in the property.
09/22/2018	Brenda Wong	Review and respond to emails from J. Berger re responding to OnPoint re mould remediation and balance in store account.
09/24/2018	Jeff Berger	Phone call with D. Weisz and M. Fleming to discuss Imperial Tobacco's refusal to supply goods to the Receiver, the status of the Green Monkey's chattels, and the issues experienced with a tenant; phone call with N. Jinna regarding difficulties with placing orders to Sobeys; discussion with B. Wong regarding the cash reconciliation procedures in place at the convenience store.
09/24/2018	Asiyya Pisani	Review of bank accounts to identify transactions which require back up detail, check bank statements for insurance payout.
09/24/2018	Daniel Weisz	Review management agreement; meet with B. Wong and J. Berger to discuss status of receivership administration; conference call with M. Fleming and J. Berger to discuss various matters.
09/24/2018	Brenda Wong	Review balance in store account; email to Bank of Montreal re correction to account; review balance in store account and prepare paperwork to process cheques issued by store manager; review accounting for daily deposits; meet with D. Weisz and J. Berger to discuss status of file; email to Intact Insurance re information on loss claim paid.

October 16, 2018
 Invoice 3
 Page 6

Date	Professional	Description
09/25/2018	Jeff Berger	Attending on site to review the status of repairs, pick up financial reports from N. Jinna, and review the store's order processing procedures; review of listing proposals from CBRE, Colliers and Lennard; review the cash deposits from the gas station/convenience store and reconciling same; corresponding with Pinchin Ltd., DST Consulting and OnPoint regarding proposals for mould assessments on site; drafting the update to the secured lenders re status of repairs and maintenance.
09/25/2018	Daniel Weisz	Review emails re tenant and update draft response to same; review listing proposals provided by Lennard, CBRE and Colliers; prepare summary of listing proposals; discussion with T. Ryder re listing proposals received and suggested meeting; review TD bank statements and schedule prepared and update; prepare update memo to the lenders and send.
09/26/2018	Jeff Berger	Reviewing the fuel settlements for the period of September 19 - 24, 2018; reviewing cash deposits and reconciling same; corresponding with OnPoint and Pronto regarding mould assessment/remediation.
09/26/2018	Daniel Weisz	Email list of transactions to T. Ryder; process payment to Parkland; discussion with T. Ryder re meeting to be scheduled; review draft email to OnPoint; review and sign banking forms re second trust account re store operations; prepare for meeting with Cameron Stephens.
09/26/2018	Brenda Wong	Discussions with J. Berger re cash reconciliation and lottery sales; executing and forwarding to BMO documents to add signatory on store account; review request for settlements payment; review online statement for outstanding cash deposits.
09/27/2018	Daniel Weisz	Prepare for and attend at Cameron Stephens to attend conference call to discuss the status of the receivership with G. Mauro, T. Ryder, J. Harry and B. Hughes, M. Fleming and J. Berger; prepare list of transactions requiring supporting documentation to be submitted to TD; discussion with B. Hughes re meetings with realtors and the receivership status; review emails re proposed meeting; review proposal from Pinchin, discussion with J. Berger on same and forward to M. Fleming; review of documents; discussion with M. Fleming re right of first refusal, proposed application to the court, quotes re mould repair; email to lenders re right of first refusal; discussion with J. Harry on same; discussion with M. Fleming.
09/27/2018	Brenda Wong	Email to TD re backup requested for additional transactions.
09/28/2018	Cindy Baeta	Prepare disbursement cheques; Post deposits in Ascend; prepare Excel cash sheets.
09/28/2018	Jeff Berger	Review of sales and cash for the period of August 23 - September 20, 2018; discussion with C. Baeta and B. Wong regarding same; reviewing the status of repairs to the property and drafting an update regarding same; review of mould assessment proposal from DST Consulting; phone call with M. Goldberg to request a quote for mould and air quality assessment.
09/28/2018	Bryan Tannenbaum	Review and sign cheques.
09/28/2018	Daniel Weisz	Meet with J. Berger to discuss the status of various matters relating to the receivership; review request of CBRE re meeting on Wednesday and discussion with J. Berger re information to be prepared; review information and discuss with J. Berger; email to CBRE; email to Home Trust; sign cheques.

October 16, 2018
Invoice 3
Page 7

Date	Professional	Description
09/28/2018	Brenda Wong	Review online bank statements and discussion with C. Baeta re posting of cheques and deposits, follow up with J. Berger re support for Parkland deposit; review and sign disbursement cheques; review cash reconciliation with J. Berger.
		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.

October 16, 2018
 Invoice 3
 Page 8

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.3	\$ 550	\$ 165.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	33.9	\$ 525	17,797.50
Brenda Wong, CIRP, LIT	Senior Manager	26.1	\$ 395	10,309.50
Jeffrey K. Berger, CPA, CA	Senior Associate	71.9	\$ 250	17,975.00
Asiyya Pisani, CPA, CA	Senior Associate	4.3	\$ 250	1,075.00
Cindy Baeta/Donna Nishimura	Estate Administrator	15.9	\$ 110	1,749.00
Total hours and professional fees		152.4		\$ 49,071.00
Less: Complimentary Adjustment				(7,500.00)
Adjusted professional fees				\$ 41,571.00
HST @ 13%				5,404.23
Total payable				\$ 46,975.23

PAYMENT BY VISA / MC ACCEPTED

Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

324

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 2492167 Ontario Ltd.
c/o RSM Canada Limited
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date November 7, 2018

Client File 784-102-3

Invoice 4

No. 5516309

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2492167 Ontario Ltd. ("249") for the period October 1, 2018 to October 31, 2018.

Date	Professional	Description
10/01/2018	Jeff Berger	Discussion with W. Behno regarding the operation of the Ultramar gas bar and Express Mart convenience store; phone call with Imperial Tobacco's counsel to discuss the Receiver's request for supply of goods and discussion with M. Fleming of Fogler Rubinoff LLP ("Foglers") regarding same; meeting with N. Jinna to review variances, sales, and cash deposits.
10/01/2018	Daniel Weisz	Discussion with J. Berger re Imperial Tobacco and management of the property.
10/02/2018	Jeff Berger	Reconciling the fuel settlements for the period of September 25 - 29, 2018; discussion with D. Weisz regarding proposals from Pinchin, OnPoint and DST Engineers for mould assessment services; review of the draft management agreement for W. Behno; drafting the Receiver's Second Report; corresponding with P. Jourdain of Imperial Tobacco regarding the supply of product to the Receiver.
10/02/2018	Brenda Wong	Prepare draft management agreement for new store manager and proposed changes to same; discussion with J. Berger re cash reconciliation; review email response from Intact re prior insurance claim; call to Canada Revenue Agency ("CRA") re set-up of RP0002 and RT0002 accounts, calculate remittance payable and prepare letter to CRA re same.
10/02/2018	Daniel Weisz	Discussion with J. Berger re status of cash reconciliations; review terms and conditions of DST Engineers and discussion with J. Berger on same; conference call with M. Fleming and J. Berger re mould assessment; discussion with J. Berger re his discussion with Pinchin; review and update email to Imperial Tobacco and discussion with J. Berger on same.
10/03/2018	Jeff Berger	Review of fuel settlements for the period of September 30 - October 1, 2018; review of Sobeys order details and arranging for payment of same; review of the mould assessment proposal provided by Property Support Services and discussion with D. Weisz; making arrangements with Pinchin to complete the mould assessment.

November 7, 2018
 Invoice 4
 Page 2

10/03/2018	Brenda Wong	Review payroll prepared by N. Jinna for the period ending September 30, 2018; discussion with J. Berger and make changes to management agreement and send to W. Behno; review request for payment of Parkland Fuel Corporation ("Parkland") settlement reports; emails to N. Jinna re deposits and rent cheques; review and respond to email re parts ordered from National Energy Inc. ("NEE").
10/03/2018	Daniel Weisz	Prepare for meeting with Lennard and CBRE; discussion with J. Berger re status of quote re mould assessment; call in to M. Litvak of Parkland; review and sign cheques; review information provided by TD Bank and update schedule; prepare for and attend meetings with representatives of CBRE and J. Harry, T. Ryder and G. Mauro and then with representatives of Lennard and J. Harry T. Ryder and G. Mauro, including subsequent meeting with J. Harry, T. Ryder and G. Mauro.
10/04/2018	Brenda Wong	Emails with NEE re parts order; call from BMO to confirm wire transfer to Sobeys; emails to N. Jinna re parts order and payroll cheques.
10/04/2018	Daniel Weisz	Review quote received from MTE re mould assessment and with discussion with J. Berger on same; review notes from meeting yesterday with CBRE and Lennard; prepare for meeting today with M. Fleming; discussion with J. Berger re Sobeys order; meet at Foglers with M. Fleming to discuss various issues; prepare update memo.
10/05/2018	Brenda Wong	Email to W. Behno re start date; review online bank statement and emails with N. Jinna re cheques released; discussion with W. Behno re payroll and starting date/time; confirming dates/times with J. Berger and W. Behno.
10/05/2018	Daniel Weisz	Discussion with B. Wong on management of the facility; finalize update to lenders and send; review draft letter of termination re management agreement and email to M. Fleming re same.
10/09/2018	Jeff Berger	Drafting the notice of termination of management agreement and discussing same with M. Fleming and D. Weisz; meeting with B. Wong to discuss termination procedures and the requirements of the incoming manager; phone call with N. Doke of Parkland to advise him of the upcoming change in management at the Ultramar station; review of account change forms provided by Bell; finalizing the management agreement with W. Behno; preparing a schedule of estimated funding requirements for the receivership administration.
10/09/2018	Daniel Weisz	Discussion with J. Berger re status of various matters; discussions with J. Berger re his discussion with M. Fleming re transition of property managers; review draft termination letter and discussion with J. Berger on same; review proposed amendments to the management agreement and discuss with B. Wong and J. Berger; provide to M. Fleming information re communications with J. Frymer.
10/09/2018	Brenda Wong	Meet with J. Berger to discuss transition tomorrow; review changes to management agreement; review and finalize employee termination letter; review online bank balance and respond to email re funding.
10/10/2018	Jeff Berger	Attending on site to meet with the environmental consultant from Pinchin; meeting with N. Jinna; meeting S. Attisha and W. Behno on site to review operating and reporting procedures, tour the property.
10/10/2018	Daniel Weisz	Discussion with J. Berger re his attendance at the property.
10/10/2018	Brenda Wong	Emails with J. Berger re transition of property operations.

November 7, 2018
 Invoice 4
 Page 3

10/11/2018	Jeff Berger	Attending on site to review the cash and fuel reconciliation procedures with S. Attisha; reconciling the fuel settlements for the period of October 2 - 9, 2018; review of contracts and other documentation from Imperial Tobacco and phone call with Imperial Tobacco's credit department to discuss the terms of supply for the receivership; drafting a revised notice of termination re management agreement; corresponding with L. DiCarlo of Sobeys regarding missing inventory from the prior week's shipment.
10/11/2018	Brenda Wong	Review request for payment of settlement reports; email to BMO re remove signing authority.
10/11/2018	Daniel Weisz	Discussion with J. Berger on his attendance at the facility today; review and sign management agreement; discussion with M. Fleming on the status of various matters; review draft letter and discussion with J. Berger on same.
10/12/2018	Cindy Baeta	Prepare Excel cash sheets for the period of August 23, 2018 to September 21, 2018.
10/12/2018	Jeff Berger	Reconciling the DSD charges on the Sobeys account; drafting the update to the secured lender re repairs to the property; corresponding with Bell Canada regarding the telephone and internet accounts for the convenience store and gas station; discussion with Car-Tel regarding the gift card terminal on site at the Express Mart; discussion with W. Behno regarding the pricing provided by Imperial Tobacco.
10/12/2018	Brenda Wong	Prepare cheque request for fuel settlement; obtain online statements for October; letter to BMO re cancellation of signing authority.
10/12/2018	Daniel Weisz	Email to M. Fleming re Parkland agreements; review and sign cheques; exchange emails with T. Ryder re status of notification of realtors; prepare update to lenders and discussion with J. Berger re same.
10/15/2018	Brenda Wong	Discussion with J. Berger re income statement for gas station/convenience store; calculate WSIB payable for July to September 30, 2018.
10/15/2018	Daniel Weisz	Review schedule of gas station/convenience store operating results and discussion with J. Berger on same; send email to Lennard and CBRE regarding the status of engaging a listing broker to market the property for sale; review and update summary of activities; discussion with Bank of Montreal re wire transfer; calls in to Cameron Stephens and Home Trust re update sent; draft email to lenders enclosing results of operations of gas bar and convenience store.
10/15/2018	Jeff Berger	Review of daily reconciliation reports provided by the station manager for the period of October 9 - 11, 2018; review of Sobeys inventory purchase order and arranging for payment of same; preparing an analysis of the operating results of the gas station and convenience store for the period of August 23 - October 3, 2018 and discussing same with D. Weisz.
10/16/2018	Donna Nishimura	Deposit cash at the bank.
10/16/2018	Brenda Wong	Call from BMO to confirm wire transfer; review schedule of hours worked and email to J. Berger re numbers to be checked.
10/16/2018	Jeff Berger	Review of payroll for the period of October 1 - 14, 2018; preparing a funding request to the secured lender and reviewing the Receiver's accounts in anticipation of same; arranging for payments to Sobeys re store orders and DSD account; phone call with D. Weisz and M. Fleming to discuss the Receiver's proposed actions with respect to the Parkland lease and sublease, tenant issues, and prior transactions of the debtor.

November 7, 2018
 Invoice 4
 Page 4

10/16/2018	Daniel Weisz	Conference call with M. Fleming and J. Berger to discuss status of Parkland; a tenant, examination of prior transactions, etc.; discussion with T. Ryder on various matters.
10/17/2018	Brenda Wong	Review revised payroll worksheet and update payroll deduction worksheet; review draft email to tenant; review request for payment of settlement reports.
10/17/2018	Jeff Berger	Reconciling fuel sales for the period of October 10 - 14, 2018; phone call with S. Attisha to discuss the daily reporting procedures for the gas station and convenience store; review of correspondence from a tenant regarding payment for October, 2018 rent and the status of repairs on site.
10/17/2018	Daniel Weisz	Discussions with M. Fleming re status of his memo re various matters; review files re same; email schedule of transactions to M. Fleming; process payment to Ultramar; review document received from M. Fleming.
10/18/2018	Jeff Berger	Reviewing the books and records for the convenience store for the period of August 23, 2018 - October 10, 2018 and reconciling the accounts; review of email from a tenant and discussing same with D. Weisz; drafting a response to the tenant's email and corresponding with M. Fleming regarding same; corresponding with representatives of the OLG and reviewing the retailer agreement and other documents; review of former employees' Proofs of Claim re the Wage Earner Protection Program and following up with employees regarding missing information and errors.
10/18/2018	Daniel Weisz	Review email re insurance renewal re pollution coverage; email to lenders re matter discussed in prior week update; review email from tenant and review proposed response and discussion with J. Berger on same; discussion with J. Berger on information obtained from AGCO, preliminary review of draft agreements and discussion with J. Berger on same; discussion with J. Berger re recording of sales; review email from More Law Corporation and email to M. Fleming re same; review email from A. Brown of Garfinkle Biderman re same; send reply to More Law Corporation; review email from B. Hughes, review files and email information requested to B. Hughes; discussion with M. Fleming; review information from J. Frymer and check to bank statements.
10/19/2018	Cindy Baeta	Processing payroll; updating daily receipts from Oct 12, 2018 to October 18, 2018; prepare disbursement cheques.
10/19/2018	Daniel Weisz	Review M. Fleming draft memo re Parkland and provide comments to M. Fleming; draft update memo; discussion with J. Berger re status of repairs and Pinchin; finalize update memo and forward to the lenders.
10/19/2018	Brenda Wong	Discussion with C. Baeta re overtime and holiday pay, reviewing and making revisions to payroll worksheet; discussion with J. Berger re posting of deposits; review and sign payroll cheques.
10/19/2018	Jeff Berger	Review of correspondence from a tenant and drafting a response to same; review of the Receiver's draft update to the secured lenders.
10/22/2018	Brenda Wong	Review email from Sobeys and forward to gas station manager; follow up re status of payroll cheques.
10/22/2018	Jeff Berger	Attending on site at 5818 Sheppard to meet with Pronto General Contractors ("Pronto") and a representative of the Electrical Safety Authority; review of mould assessment report provided by Pinchin; review of draft HVAC engineering assessment from Pact Engineering Inc. and discussing revisions to same with the engineer.
10/22/2018	Daniel Weisz	Discussion with J. Berger re status of environmental report and HVAC report.

November 7, 2018
 Invoice 4
 Page 5

10/23/2018	Jeff Berger	Review fuel sales/settlements for the period of October 15 - 21, 2018; review of Pinchin mould assessment report and discussing same with D. Weisz; drafting update to the secured lenders regarding the status of various issues; phone call with the station manager to discuss sales reconciliations and anticipated funding needs.
10/23/2018	Brenda Wong	Review email re tenant's early termination of lease and request for refund of tenant's deposits; review request for payment of Parkland settlements for October 15 to 21.
10/23/2018	Daniel Weisz	Discussion with J. Berger re his attendance at the property yesterday; processing e-payment for fuel; review Pinchin report, discussion with J. Berger on same and discussion with M. Fleming re same; review, update and finalize email to lenders re status of the property.
10/24/2018	Brenda Wong	Review weekly update memo; email to J. Berger re snow clearing services for 5818 Sheppard; discussion with J. Berger re cash reconciliations and adjusting entries required.
10/24/2018	Daniel Weisz	Review report from Pact Engineering Inc. re HVAC, discussion with J. Berger on same and email report to the lenders; conference call with Pronto re status of the property and information required; discussion with J. Berger re statement of receipts and disbursements; review quote from Decon Environmental and email to the lenders in connection with same; email to M. Fleming re mould assessment; review Foglers account and draft cover letter.
10/24/2018	Jeff Berger	Review of HVAC engineering report from Pact Engineering and discuss same with D. Weisz; review of the fuel and store sales for the period of August 23 - October 21, 2018.
10/25/2018	Daniel Weisz	Review statement of receipts and disbursements and discussion with J. Berger re same; prepare agenda for tomorrow's meeting; conference call with M. Fleming and J. Berger re tomorrow's meeting; prepare memo to lenders in preparation for the meeting; discussion with J. Berger on finalizing documents to be sent.
10/25/2018	Brenda Wong	Review journal entries for cash reconciliation and emails with J. Berger re same.
10/25/2018	Jeff Berger	Updating the Receiver's Statement of Receipts and Disbursements through October 21, 2018; preparing the Receiver's funding request to the secured lenders; updating the Receiver's books and records to reallocate cash receipts for the period of August 23 - September 26, 2018; meeting with D. Weisz to prepare for the upcoming meeting with lenders and counsel.
10/26/2018	Cindy Baeta	Prepare disbursement cheque; filing.
10/26/2018	Daniel Weisz	Preparation for meeting today with the lenders including conference call with M. Fleming and J. Berger re same; review of additional information provided by TD Bank and update schedule of transactions; review schedule of operations results; meet with M. Fleming prior to the meeting with the lenders; attend meeting with M. Fleming, A. Brown, S. Cameron, T. Ryder, J. Harry, B. Hughes and J. Berger to discuss the status of the administration of the receivership; draft letter to tenants.
10/26/2018	Jeff Berger	Phone call with D. Weisz and M. Fleming to discuss the Receiver's intended course of action; updating the analysis of operations through October 17, 2018; meeting with the secured lenders, counsel, and the Receiver to discuss

November 7, 2018
 Invoice 4
 Page 6

		the status of the receivership; attending on site to close down the gas station and convenience store.
10/27/2018	Daniel Weisz	Discussion with J. Berger re his attendance at the property yesterday.
10/28/2018	Jeff Berger	Drafting notices to tenants re mould, HVAC, and electrical issues on site; discussion with D. Weisz and M. Fleming regarding same; drafting termination notice to the manager.
10/29/2018	Donna Nishimura	Prepare paperwork and deposit cash at the bank.
10/29/2018	Brenda Wong	Review final invoice submitted by former property manager and J. Berger re same; discussion with J. Berger re status of the property and information to be provided to the insurance broker; discussion and email to H. Debi re update on the status of the property; discussion with D. Weisz and J. Berger re status.
10/29/2018	Daniel Weisz	Review email from pharmacy re notice posted; discussion with D. Nishimura on gas station proceeds to be deposited; review email from B. Hughes; discussion with J. Kriwetz re meeting held on October 26, 2018; discussion with M. Fleming re various matters; discussion with J. Berger re his attendance at the property today and meetings with tenants; meet with J. Berger and B. Wong re various matters.
10/29/2018	Jeff Berger	Attending on site to deliver notices to tenants and discuss their intentions to vacate the premises; arranging for the City of Toronto fire department to complete a safety inspection of the property; discussion with D. Weisz and B. Wong regarding various matters; drafting the Receiver's Second Report.
10/30/2018	Brenda Wong	Review management agreement re termination provisions; review notice of assessment from CRA and prepare cheque requisition to pay outstanding balance.
10/30/2018	Asiyya Pisani	Prepare cheque requisitions.
10/30/2018	Daniel Weisz	Review and provide comments on draft notice of termination of lease and discussion with M. Fleming on same.
10/30/2018	Jeff Berger	Drafting the Receiver's Second Report.
10/31/2018	Brenda Wong	Follow up with J. Berger re final payment for former property manager, final payroll and snow contract; review email from H. Debi, follow up re questions asked and send response; review payroll schedule and email questions on numbers submitted, calculate payroll and deductions.
10/31/2018	Daniel Weisz	Review updated lease and sublease termination notices and provide comments to M. Fleming; discussion with J. Berger re same; work on report to court; conference call with M. Fleming and J. Berger re Parkland lease.
10/31/2018	Jeff Berger	Review of draft notices of termination to Parkland and discussion with M. Fleming and D. Weisz regarding same; drafting the Receiver's Second Report and discussing same with D. Weisz.
		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.

November 7, 2018
 Invoice 4
 Page 7

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	37.3	\$ 525	\$ 19,582.50
Brenda Wong, CIRP, LIT	Senior Manager	10.5	\$ 395	4,147.50
Jeffrey K. Berger, CPA, CA	Manager	114.2	\$ 295	33,689.00
Asiyya Pisani, CPA, CA	Senior Associate	0.2	\$ 250	50.00
Cindy Baeta/Donna Nishimura	Estate Administrator	8.9	\$ 110	979.00
Total hours and professional fees		171.1		\$ 58,448.00
HST @ 13%				7,598.24
Total payable				\$ 66,046.24

* Change in hourly rate effective October 1, 2018.

PAYMENT BY VISA / MC ACCEPTED

Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 RSM CANADA LIMITED



GST/HST: 80784 1440 RT 0001

331

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 2492167 Ontario Ltd.
c/o RSM Canada Limited
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date December 20, 2018

Client File 784-102-3

Invoice 5

No. 5546200

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2492167 Ontario Ltd. ("249") for the period November 1, 2018 to November 30, 2018.

Date	Professional	Description
11/01/2018	Brenda Wong	Review email from debtor re summons received, research municipal code re nature of infraction and email to M. Fleming of Fogler Rubinoff LLP ("Foglers") re same; review file for any further communication from Canada Revenue Agency ("CRA") re deemed trust claims.
11/01/2018	Daniel Weisz	Continue work on report to court; review updated lease termination notice re Parkland Fuel Corporation ("Parkland") and discussion with M. Fleming on same; discussion with J. Berger re robbery at the premises; discussion with J. Berger at the premises re the robbery and his discussions with occupants of the property; draft lender update.
11/01/2018	Jeff Berger	Review of rent payments from Parkland for the period of July 26, 2016 to July 26, 2018; review of D. Weisz edits to the Receiver's Second Report; attending on site to meet with Toronto Police re convenience store burglary on October 31, 2018; discussions with tenants re vacating the premises.
11/02/2018	Brenda Wong	Call to Service Canada to request ROE forms; call to CRA to inquire re status of trust exam; email to N. Jinna re calculation of final account; discussion with J. Berger re property management going forward; review request for payment of Ultramar settlements for October 22-26; review and revise draft termination letter; prepare cheque requisition for payment of N. Jinna fee.
11/02/2018	Daniel Weisz	Review and sign cheques, review updated Notice of Termination of Lease and Notice of Termination of Sublease (the "Termination Notices") and forward comments to M. Fleming; effect e-payment to Parkland re fuel settlements through October 26; attend conference call with M. Fleming and J. Berger re finalization of the Termination Notices and issues relating to the premises; update the Termination Notices and sign same; review and update cover letter to Parkland; review request from Capital Funds ATM Inc. re removal of ATM machine from Green Monkey's premises; review and update letter to Mota Drywall Inc. and discussion with J. Berger on same; update status memo to lenders; discussions with B. More re pending offer to be received from the

December 20, 2018
 Invoice 5
 Page 2

Date	Professional	Description
		debtor; review and sign termination notice re manager of gas station and convenience store.
11/02/2018	Donna Nishimura	Deposit rent cheques at the bank.
11/02/2018	Jeff Berger	Reconciling fuel sales for the period of October 22 - 26, 2018; drafting notice of termination to the store manager and phone call with manager regarding same; review of the Receiver's update memo to the secured lenders; drafting letter to Mota Drywall Inc. regarding pre-receivership payments from the debtor.
11/05/2018	Jeff Berger	Drafting second letter to tenants re vacating the premises and discussion with D. Weisz and M. Fleming regarding same.
11/05/2018	Daniel Weisz	Email to B. More re status of offer to be received; review offer for the property sent by the office of B. More and discussion with M. Fleming on same; email to the lenders re the offer; discussion with T. Ryder; draft response to B. More; discussion with J. Harry; discussion with B. Hughes; discussion with B. More in response to my email to him; exchange emails with M. Fleming re same.
11/06/2018	Jeff Berger	Attending on site at 5818 Sheppard Ave. E. to meet with an inspector from Toronto Fire Services re a fire safety inspection of the premises; finalizing notice to tenants re health and safety issues on site, request to vacate the premises, etc., and delivering same.
11/06/2018	Daniel Weisz	Discussion with B. Hughes; discussion with T. Ryder re status and funding; discussion with J. Berger re ATM machine at Green Monkey's premises and draft letter to tenants; review files re judgement for possession; discussion with R. Katanforoush of Century 21 and note to file; discussion with J. Berger re the results of the fire inspection; discussion with B. More; conference call with J. Kriwetz, A. Brown and T. Ryder; discussion with M. Fleming; discussion with B. Hughes.
11/07/2018	Brenda Wong	Calculate payroll remittance due to CRA.
11/07/2018	Donna Nishimura	Pay Source Deductions at bank.
11/07/2018	Jeff Berger	Preparing a statement of estimated funding requirements and updating the Receiver's statement of Receipts and Disbursements through November 6, 2018; review of snow removal contracts and discussion with B. Wong and D. Weisz regarding same.
11/07/2018	Daniel Weisz	Review emails from Garfinkle Biderman and Home Trust; discussion with J. Berger on calculation of amount required re receivership administration; review possible snow removal contracts; review summary of activities; review calculation of amount required re receivership administration; discussion with A. Brown re status.
11/08/2018	Jeff Berger	Finalizing the November 6, 2018 R&D and the Statement of Estimated Funding Requirements; reconciling the bank statements; negotiating the snow removal contract from Berta Landscaping and discussing same with D. Weisz.
11/08/2018	Daniel Weisz	Discussion with M. Fleming re his discussion with J. Frymer yesterday and other matters, review and update schedule re funds required on payout, discussion with J. Berger on same and email to A. Brown re same; review updated snow maintenance contract and sign same; discussion with T. Ryder re schedule provided.

December 20, 2018
 Invoice 5
 Page 3

Date	Professional	Description
11/09/2018	Jeff Berger	Review of correspondence from B. Park regarding the ATM at unit 104; discussion with D. Weisz and M. Fleming regarding same; bookkeeping and other administrative tasks; review of the snow removal contract from Berta Landscaping and discussing same with M. Fleming.
11/09/2018	Daniel Weisz	Review email from M. Fleming re ATM machine at Unit 104 and reply to same; review and sign revised contract re snow removal.
11/09/2018	Brenda Wong	Recalculate management fee payable for October; discussions with J. Berger re outstanding postings for September and October and review for corrections and entries to be posted.
11/12/2018	Jeff Berger	Preparing an analysis of gas station and convenience store operations for the period of August 23 - October 26, 2018 and discussing same with D. Weisz.
11/12/2018	Daniel Weisz	Prepare lender update; email to Garfinkle Biderman and M. Fleming re setting up a meeting; review email from B. More and email to M. Fleming re same; prepare reply email to B. More and send; review analysis of gas station and convenience store operations and discussion with J. Berger on same.
11/13/2018	Jeff Berger	Review of certificate of insurance from snow removal contractor; draft second notice to Mota Drywall Inc. re payments from the debtor to Mota Drywall Inc.
11/13/2018	Usama Emad	Reviewing vendor invoices and arranging for payment of same.
11/13/2018	Daniel Weisz	Exchange emails with M. Fleming re Parkland status; review draft letter to Mota Drywall Inc. and discussion with J. Berger on same.
11/14/2018	Usama Emad	Review of employee information for all employees for whom the Receiver was required to complete a Record of Employment (ROE); compiling the ROE forms for all employees and discussing same with B. Wong.
11/14/2018	Daniel Weisz	Discussion with J. Berger re status of tenancies; discussion with R. Katanforoush re proposed offer and email to M. Fleming re same.
11/14/2018	Brenda Wong	Discussion with U. Emad re preparation of ROEs; review of ROEs completed.
11/15/2018	Usama Emad	Preparation of the HST filing for the quarters ended June 30th and September 30th, 2018.
11/15/2018	Daniel Weisz	Discussion with J. Berger re letter to Mota Drywall Inc.; discussion with M. Fleming re discussion with R. Katanforoush yesterday and email to be sent to J. Frymer and meeting to be held tomorrow.
11/16/2018	Daniel Weisz	Prepare for and attend meeting with M. Fleming, J. Kriwet, A. Brown (by phone) to discuss matters relating to the receivership.
11/16/2018	Brenda Wong	Check online statement for Parkland EFT payment, review lease and general ledger for posting of rental payments and correction required to account for HST collected.
11/16/2018	Daniel Weisz	Review and sign cheques; discussion with J. Berger re payment to Parkland; e-pay Toronto Hydro invoices; review emails.
11/19/2018	Brenda Wong	Emails with H. Debi re status of insurance renewal.
11/19/2018	Daniel Weisz	Preliminary review of contract re claim for ATM; review files; review and update lender summary update.
11/19/2018	Jeff Berger	Drafting an update to the secured lenders; review of ATM agreement between the debtor and Access Cash GP and discussion with M. Fleming re same.

December 20, 2018
 Invoice 5
 Page 4

Date	Professional	Description
11/20/2018	Brenda Wong	Call from H. Debi re status of insurance renewal; emails with H. Debi re non-renewal of insurance and sourcing alternate insurance; email to HUB re quote for insurance; discussion with J. Berger re fire inspection report.
11/20/2018	Daniel Weisz	Discussion with T. Ryder on status.
11/21/2018	Brenda Wong	Review emails from HUB and discussions with J. Berger and D. Weisz re same; call with T. Thompson re liability insurance; call with Receiver and M. Fleming re insurance situation; review/respond to emails from H. Debi.
11/21/2018	Daniel Weisz	Review email from T. Thompson re insurance and discussion with B. Wong and J. Berger re same; conference call with B. Wong and J. Berger; review insurance policy; discussion with M. Fleming re same; email to lenders re status; discussion with R. Katanfroush and email to lenders re same.
11/21/2018	Jeff Berger	Corresponding with T. Thompson of HUB insurance re coverage for the Sheppard property; phone call with B. Wong and T. Thompson regarding same.
11/22/2018	Daniel Weisz	Attend meeting with R. Katanfroush and N. Tamburi of Century 21, preliminary review of information provided and email to the lenders with respect to same; work on report to court; lengthy discussion with J. Berger and M. Fleming on various matters; review draft letter to tenants and draft letter to the insurance company; discussion with J. Harry.
11/22/2018	Jeff Berger	Attending at the Sheppard property to meet with Pronto General Contractors ("Pronto") to review the Notice of Violation issued by Toronto Fire Services; meeting with D. Weisz and Century 21 brokers re the disposition of the Sheppard property; discussing same with D. Weisz; phone call with D. Weisz and M. Fleming to discuss the pending cancellation of insurance and the Receiver's options with respect to same; drafting a letter to the insurer regarding the continuation of coverage; drafting a letter to tenants re vacating the property.
11/23/2018	Jeff Berger	Finalizing the letter re insurance coverage and discussing same with D. Weisz and M. Fleming; phone call with H. Debi regarding the letter; review of quote provided by Pronto and discussion re same with D. Weisz; review of the Receiver's update to secured lenders.
11/23/2018	Daniel Weisz	Emails to M. Fleming re letters to Mota Drywall Inc. and letters to tenants; discussion with J. Berger re communication to lenders; discussion with B. Hughes re receivership status; work on report to court; review draft letter to the insurer and update; email to M. Fleming re same; review M. Fleming comments on letter to the tenants; review and sign letter to the insurer and discussion with J. Berger re his discussion with H. Debi; prepare update memo to the lenders.
11/26/2018	Jeff Berger	Updating the Receiver's second report and discussing same with D. Weisz; corresponding with H. Debi re insurance coverage.
11/26/2018	Daniel Weisz	Discussion with J. Berger on the status of various matters; meet with J. Berger re quote received from Pronto re Notice of Fire Violation and additional information required; email to Cameron Stephens and discussion with J. Harry re same; review updates to report to court and discussion with J. Berger on same.

December 20, 2018
 Invoice 5
 Page 5

Date	Professional	Description
11/27/2018	Jeff Berger	Draft letter to insurance brokers re renewal of policies; discussing same with D. Weisz; review of quote for repairs from Pronto and discussing same with D. Weisz.
11/27/2018	Daniel Weisz	Review emails re continuation of insurance policy; meet with J. Berger re same; conference call with J. Berger and M. Fleming to discuss various issues including insurance, letter to the tenants, and repairs to the premises; review case summaries re insurance provided by M. Fleming; review and update letter to H. Debi and Burns & Wilcox; review insurance summary re Firstbrook Cassie and Anderson ("Firstbrook") and discussion with J. Berger on same; review quote for repairs re Fire Notice and discussion with J. Berger on same.
11/28/2018	Jeff Berger	Arranging final insurance renewal; drafting letter to tenants re upcoming repairs, condition of property, etc.; arranging to repairs to be completed by Pronto and discussing same with D. Weisz.
11/28/2018	Daniel Weisz	Discussion with J. Berger re his discussion with CRA and with Firstbrook; conference call with M. Fleming and J. Berger re status of insurance; discussion with J. Berger re his discussion with H. Debi; review and sign insurance forms; review and sign letters to tenants.
11/29/2018	Jeff Berger	Attending on site to deliver notices to tenants re upcoming repairs, condition of the property, etc.; phone call with H. Debi to discuss the pollution liability coverage/renewal and the application for same; completing the pollution liability application and discussing with D. Weisz.
11/29/2018	Daniel Weisz	Review Fire Code Notice of Violation and email to M. Fleming in respect of same; review email from M. Fleming; discussion with M. Fleming re Parkland and Notice of Violation; review and filing of emails; discussion with J. Berger re insurance status and his attendance at the premises today.
11/30/2018	Anne Baptiste	Post receipts to Ascend.
11/30/2018	Daniel Weisz	Review and filing of emails; discussion with J. Berger re status of insurance.
		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.

December 20, 2018
 Invoice 5
 Page 6

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	36.4	\$ 525	\$ 19,110.00
Brenda Wong, CIRP, LIT	Senior Manager	4.1	\$ 395	1,619.50
Jeffrey K. Berger, CPA, CA	Manager	66.4	\$ 295	19,588.00
Usama Emad, CPA	Senior Associate	8.5	\$ 195	1,657.50
Anne Baptiste/Donna Nishimura	Estate Administrator	0.5	\$ 110	55.00
Total hours and professional fees		115.9		\$ 42,030.00
HST @ 13%				5,463.90
Total payable				\$ 47,493.90

PAYMENT BY VISA / MC ACCEPTED

Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 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 2492167 Ontario Ltd.
 c/o RSM Canada Limited
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date January 4, 2019

Client File 784-102-3

Invoice 6

No. 5554764

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2492167 Ontario Ltd. ("249") for the period December 1, 2018 to December 31, 2018.

Date	Professional	Description
12/03/2018	Jeff Berger	Discussion with G. Abbiento of Pronto General Contractors ("Pronto") regarding the status of repairs at the property; phone call with H. Debi to discuss the insurance renewal; discussion with D. Weisz and B. Wong regarding same.
12/03/2018	Brenda Wong	Call with H. Debi re insurance.
12/03/2018	Daniel Weisz	Meet with J. Berger to discuss the status of various matters; discussion with M. Fleming of Fogler Rubinoff LLP ("Foglers") re security opinion, Parkland Fuel Corporation ("Parkland") and property matters; discussion with T. Ryder re the premises; prepare update memo to the lenders and send; discussion with J. Berger re status of insurance.
12/04/2018	Usama Emad	Review invoices and prepare cheque requisitions.
12/04/2018	Daniel Weisz	Follow up with J. Berger re property management and insurance; review email from B. Hughes and provide information requested; email to M. Fleming re ownership of fuel tanks; prepare for conference call; review indemnity and release received from ATM Capital Funds Inc. and 2629972 Ontario Inc. re the ATM machine in the Green Monkey premises; review Foglers opinion on security and email to M. Fleming re same; review emails; discussion with J. Kriwetz; attend conference call with representatives of Cameron Stephens, Home Trust, Foglers and Garfinkle Biderman and J. Berger re the status of the receivership including Parkland and the sales process.
12/05/2018	Daniel Weisz	Review and file emails; discussion with J. Berger re his attendance at the premises; discussion with T. Ryder re meeting with real estate agent; review financing agreement re insurance policy renewal and discussion with J. Berger on same.
12/05/2018	Brenda Wong	Review Parkland notices and cheque to banking; respond to email from H. Debi re Certificate of Insurance.

Date	Professional	Description
12/05/2018	Anne Baptiste	Prepare disbursement cheque.
12/06/2018	Jeff Berger	Call with TSSA inspector re issues identified on site; call with property manager regarding same; discussion with W. Behno re extension of property management agreement and the terms of same; updating the Receiver's R&D through December 6, 2018; draft letter to Toronto Fire Services in response to the notice of violation issued on November 20, 2018, and discussion with M. Fleming and D. Weisz re same; draft listing agreement between the Receiver and CBRE.
12/06/2018	Daniel Weisz	Discussion with T. Ryder re his discussion with R. Katanforoush and review email re same; review draft letter to Toronto Fire Department and discussion with J. Berger on same; email to CBRE re proceeding with listing the property for sale; review M. Fleming comments re letter to Toronto Fire Department and sign final letter; discussion with T. Ryder re listing of the property for sale; review and update draft listing agreement; discussion with M. Fleming re same; discussion with J. Berger re statement of receipts and disbursements; review and filing of emails; review summary of activities.
12/07/2018	Daniel Weisz	Prepare for and attend meeting with M. Czestochowski, L. White and D. Shvartsman of CBRE with respect to the marketing of the property; prepare update to lenders; correspondence to Lennard Realty; review Receiver's cash position.
12/10/2018	Anne Baptiste	Prepare bank reconciliation; prepare disbursement cheques, posting deposits.
12/10/2018	Daniel Weisz	Discussion with T. Pringle of CBRE re property management services; discussion with J. Berger re enquiry from E. Moreau; review and sign cheques; discussion with B. Wong on the status of various matters; email to T. Ryder and B. Hughes.
12/10/2018	Brenda Wong	Review professional fees paid to date, follow up re outstanding invoices to be paid; prepare cheque requisitions; review correspondence; review and sign disbursement cheques.
12/10/2018	Donna Nishimura	Deposit rent cheque at the bank.
12/11/2018	Brenda Wong	Review emails from CBRE re property management services, emails with D. Weisz and discussions with J. Berger and W. Behno re same; review email from M. Fleming re new lien registrations.
12/12/2018	Brenda Wong	Review email from CBRE and forward listing agreement to M. Fleming for review; email to M. Fleming re property management agreement.
12/14/2018	Brenda Wong	Review email from HUB re outstanding invoice and arrange for processing of same; review email from M. Fleming re documenting changes to management agreement and preparing letter to property manager with proposed language and emails with D. Weisz re changes to term of agreement.
12/18/2018	Jeff Berger	Drafting update to the secured lenders.
12/18/2018	Daniel Weisz	Review emails re property management agreement, listing of the property for sale; meet with M. Fleming to sign documents re removal of Parkland lease from title and discuss terms of listing agreement.
12/18/2018	Brenda Wong	Emails with W. Behno re continuation of the management agreement and sign back of letter re same.
12/19/2018	Daniel Weisz	Review and amend update report to the lenders; review draft schedule to listing agreement prepared by Foglers and email to M. Fleming re same.

January 4, 2019

Invoice 6

Page 3

Date	Professional	Description
12/20/2018	Daniel Weisz	Discussion with M. Fleming re draft listing agreement; review statement of receipts and disbursements and discussion with J. Berger on same; update summary update to the lenders; review of updated listing agreement and discussion with M. Fleming re same, forward documents to CBRE and exchange emails with CBRE; finalize update to the lenders and send.
12/21/2018	Anne Baptiste	Prepare disbursement cheques.
12/21/2018	Daniel Weisz	Review and sign cheques; draft agreement of purchase of sale and forward draft to M. Fleming; review emails re potential funding of purchaser and email to T. Ryder re same.
12/21/2018	Brenda Wong	Review status update email; review property management invoice for December; initial changes to property management agreement and email to W. Behno; review and file emails; review online banking for NSF cheque; emails to TD Bankruptcy group to inquire re outstanding charges.
12/27/2018	Daniel Weisz	Discussion with M. Fleming re CBRE comments on draft listing agreement.
		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.

January 4, 2019
 Invoice 6
 Page 4

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	16.3	\$ 525	\$ 8,557.50
Brenda Wong, CIRP, LIT	Senior Manager	3.2	\$ 395	1,264.00
Jeffrey K. Berger, CPA, CA	Manager	6.4	\$ 295	1,888.00
Usama Emad, CPA	Senior Associate	1.0	\$ 195	195.00
Anne Baptiste/Donna Nishimura	Estate Administrator	3.0	\$ 110	330.00
Total hours and professional fees		29.9		\$ 12,234.50
HST @ 13%				1,590.49
Total payable				\$ 13,824.99

PAYMENT BY VISA / MC ACCEPTED

Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 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 2492167 Ontario Ltd.
 c/o RSM Canada Limited
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date February 6, 2019**Client File** 784-102-3**Invoice** 7**No.** 5577361

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2492167 Ontario Ltd. ("249") for the period January 1, 2019 to January 31, 2019.

Date	Professional	Description
01/02/2019	Daniel Weisz	Review voicemail from CBRE counsel and respond to email from M. Fleming of Fogler Rubinoff LLP ("Foglers").
01/02/2019	Brenda Wong	Review email from TD Canada Trust re unpaid account and process invoice for payment.
01/03/2019	Daniel Weisz	Exchange emails with M. Fleming re draft listing agreement; discussion with J. Berger re status of correspondence with Canada Revenue Agency ("CRA"); review and file emails; exchange emails with potential purchaser.
01/04/2019	Anne Baptiste	Prepare disbursement cheques.
01/04/2019	Usama Emad	Prepare the annual HST report for the period ended December 31, 2018.
01/04/2019	Daniel Weisz	Review and update summary of activities; review and sign cheques.
01/04/2019	Jeff Berger	Correspond with RBC regarding the Receiver's request to identify a potential account of the debtor; discussion with the property manager re outstanding rent, condition of the property, etc.
01/07/2019	Jeff Berger	Phone call with M. Fleming and D. Weisz to discuss the status of the CBRE listing agreement and required changes; telephone phone call with D. Shvartsman of CBRE to discuss changes to the proposed listing agreement.
01/07/2019	Daniel Weisz	Prepare for and attend conference call with M. Fleming and J. Berger re listing of property and issues re agreements relating to same; discussion with J. Berger re his discussion with CBRE.
01/08/2019	Daniel Weisz	Exchange correspondence with M. Fleming re service list; review and update lender update; review email from CBRE and email to M. Fleming re same.
01/08/2019	Jeff Berger	Review of update to secured lenders; follow up discussion with RBC regarding the identification of a potential account belonging to the debtor; review of TD bank statements; attending to various administrative matters.

February 6, 2019
 Invoice 7
 Page 2

Date	Professional	Description
01/09/2019	Daniel Weisz	Review and reply to email from B. Hughes; discussion with J. Berger re the premises and status of rent collections; discussion with M. Fleming regarding the status of the listing agreement.
01/10/2019	Daniel Weisz	Discussion with M. Fleming re his discussion with counsel to CBRE; review files and email to M. Fleming re same; discussion with J. Berger re status of information to CBRE.
01/10/2019	Usama Emad	Enquire with Service Canada regarding a Record of Employment issued to a former employee; discussion with J. Berger regarding same.
01/11/2019	Daniel Weisz	Review revised form of Agreement of Purchase and Sale ("APS") and provide comments to M. Fleming; discussion with M. Fleming re same; discussion with D. Shvartsman re status; review further updated version of the listing agreement, edit and forward to CBRE.
01/11/2019	Brenda Wong	Check online banking for payment of SNAP monthly insurance premium and prepare cheque requisition re same.
01/14/2019	Anne Baptiste	Prepare bank reconciliation; prepare disbursement cheques; posting deposits.
01/14/2019	Daniel Weisz	Discussion with M. Fleming re revised listing agreement received.
01/15/2019	Daniel Weisz	Review listing agreement revised by CBRE; conference call with M. Fleming and J. Berger to discuss the draft listing agreement; review schedules to listing agreement; discussion with J. Berger re his discussion with D. Shvartsman and email to M. Fleming.
01/16/2019	Daniel Weisz	Review final changes to listing agreement; discussion with M. Fleming on same and sign listing agreement; review correspondence from J. Kriwetz re communication with Mota Drywall; prepare lender update and send.
01/16/2019	Jeff Berger	Review of final listing agreement with CBRE and discussion with D. Weisz re same.
01/17/2019	Daniel Weisz	Discussion with M. Fleming re Garfinkle Biderman request for information and status of the receivership administration.
01/17/2019	Jeff Berger	Compiling documents for CBRE's online data room.
01/18/2019	Anne Baptiste	Prepare disbursement cheques.
01/18/2019	Daniel Weisz	Review files re Garfinkle Biderman request re payments to Mota Drywall; email to Garfinkle Biderman in respect of same; review and sign cheques; sign acknowledgement re listing agreement; review documents to be sent to CBRE and discussion with J. Berger on same.
01/18/2019	Brenda Wong	Review and sign disbursement cheques.
01/21/2019	Daniel Weisz	Preliminary review of defense of statement of claim and counterclaim and exchange emails with M. Fleming re same; review of above documents.
01/21/2019	Brenda Wong	Prepare summary of payroll data for preparation of T4s.
01/22/2019	Daniel Weisz	Discussion with J. Berger re status of sales process, tenants, etc.; subsequent discussion with J. Berger re CBRE request for information and MLS forms received.
01/22/2019	Jeff Berger	Discussion with D. Shvartsman regarding the listing of the property and due diligence materials required by CBRE; review of counterclaim by debtor in response to the lender's statement of claim, and discussion with D. Weisz regarding same.

February 6, 2019
 Invoice 7
 Page 3

Date	Professional	Description
01/23/2019	Daniel Weisz	Prepare for and attend conference call with M. Fleming and J. Berger to discuss matters relating to the receivership administration; review MLS listing form; review calculation of amount to be included on HST return and discussion with J. Berger on same.
01/24/2019	Anne Baptiste	Prepare December bank reconciliation; filing re banking.
01/24/2019	Daniel Weisz	Review and sign MLS listing forms, prepare and send lender update; conference call with M. Fleming and J. Berger re matters relating to the sale of the property.
01/24/2019	Jeff Berger	Review of MLS listing forms and discussion with D. Weisz re same; discussion with M. Fleming re release required re the ATM in the Express Mart.
01/25/2019	Daniel Weisz	Review email from B. Hughes, discussion with B. Hughes and respond to email, review draft CBRE marketing materials and discussion with J. Berger on same; review subsequent email from B. Hughes and reply to same; discussion with T. Ryder; review updated marketing materials and discussion with J. Berger on same.
01/25/2019	Jeff Berger	Review of draft marketing materials from CBRE and discussion with D. Weisz and D. Shvartsman re same.
01/28/2019	Daniel Weisz	Review draft release re ATM at the convenience store and discussion with J. Berger on same; review MLS summary forms and discussion with J. Berger on same.
01/28/2019	Jeff Berger	Attending on site at the property to meet D. Shvartsman and E. Stewart of CBRE; review of revised marketing documents and discussion with D. Weisz regarding same; finalizing the MLS listing agreements and data forms; review of draft ATM release document provided by M. Fleming and discussion with D. Weisz regarding same.
01/29/2019	Daniel Weisz	Review revised release re ATM machine and discussion with J. Berger re same; discussion with J. Berger re marketing materials; review email from M. Fleming re status of Parkland Fuel Corporation ("Parkland") lease on title.
01/29/2019	Jeff Berger	Discussion with D. Shvartsman regarding due diligence materials required for the sales process and adjustments to be made to the proposed marketing materials; discussion with D. Weisz regarding same.
01/30/2019	Daniel Weisz	Discussion with M. Fleming re status of Parkland lease on title, status of form of APS and draft CBRE marketing materials; discussion with J. Berger on same; review M. Fleming comments on draft marketing materials and email to M. Fleming regarding same; discussion with J. Berger re documents to be included in CBRE data room.
01/30/2019	Jeff Berger	Final review of CBRE marketing materials and discussion with D. Weisz re same; telephone call with D. Shvartsman to discuss due diligence materials and marketing; telephone call with M. Fleming to discuss the packing up/movement of Green Monkey's inventory, the status of the draft APS, and the ATM release document for AccessCash.
01/31/2019	Jeff Berger	Review of draft APS; discussion with D. Weisz regarding same; corresponding with CBRE regarding due diligence and marketing materials; telephone call with CRA regarding the December, 2018 HST assessment and issues with the debtor's accounts.

February 6, 2019
 Invoice 7
 Page 4

Date	Professional	Description
01/31/2019	Daniel Weisz	Review M. Fleming changes to APS and email to M. Fleming re same; discussion with M. Fleming re status.
		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
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	21.1	\$ 525	\$ 11,077.50
Brenda Wong, CIRP, LIT	Senior Manager	0.6	\$ 395	237.00
Jeffrey K. Berger, CPA, CA	Manager	29.0	\$ 295	8,555.00
Usama Emad, CPA	Senior Associate	2.5	\$ 195	487.50
Anne Baptist	Estate Administrator	3.1	\$ 110	341.00
Total hours and professional fees		56.3		\$ 20,698.00
HST @ 13%				2,690.74
Total payable				\$ 23,388.74

PAYMENT BY VISA / MC ACCEPTED

Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 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 2492167 Ontario Ltd.
 c/o RSM Canada Limited
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date March 12, 2019

Client File 784-102-3

Invoice 8

No. 5605158

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 2492167 Ontario Ltd. ("249") for the period February 1, 2019 to February 28, 2019.

Date	Professional	Description
02/01/2019	Anne Baptiste	Prepare disbursement cheques.
02/01/2019	Daniel Weisz	Discussion with J. Berger on form to be signed re waiver of requirement to file corporate tax returns and sign.
02/04/2019	Daniel Weisz	Discussion with J. Berger re obtaining correspondence from TSSA re repair completed; email to potential purchaser; review email from D. Shvartsman of CBRE re marketing information.
02/04/2019	Jeff Berger	Discussion with property manager re condition of building, repairs pursuant to the TSSA notice, the listing of the property and collection of rent; discussion with D. Shvartsman re materials to be included in the online data room for prospective purchasers; review of D. Weisz changes to draft Agreement of Purchase and Sale ("APS").
02/05/2019	Daniel Weisz	Discussion with T. Ryder re CBRE enquiries re lender financing; conference call with M. Fleming of Fogler Rubinoff LLP ("Foglers") and J. Berger to discuss the form of APS.
02/05/2019	Jeff Berger	Discussion with D. Shvartsman and D. Weisz re environmental reports available to the Receiver and distribution of same; corresponding with various consultants to obtain past environmental reports.
02/06/2019	Daniel Weisz	Review and update summary of activities; discussion with J. Berger re status of TSSA Certificate re repairs completed; review updated APS and email to M. Fleming re same.
02/06/2019	Jeff Berger	Corresponding with M. Ferrari of TSSA re outstanding compliance issues and the Receiver's acknowledgement that all issues have been addressed; discussion with the property manager re same.
02/07/2019	Daniel Weisz	Review email from B. Hughes and reply to same; discussion with J. Berger re documents for the data room.

March 12, 2019
 Invoice 8
 Page 2

Date	Professional	Description
02/07/2019	Jeff Berger	Review of data room materials from CBRE and discussion with D. Weisz and D. Shvartsman re same.
02/08/2019	Anne Baptiste	Prepare disbursement cheques.
02/08/2019	Daniel Weisz	Discussion with M. Fleming re the terms of the proposed APS; review and sign cheques.
02/08/2019	Brenda Wong	Discussions with A. Baptiste re preparation of T4s and T4 Summary.
02/08/2019	Jeff Berger	Discussion with D. Shvartsman and providing additional documentation for the data room.
02/11/2019	Daniel Weisz	Review and sign TSSA Report and discussion with J. Berger on same.
02/11/2019	Jeff Berger	Review of revised proofs of claim submitted by employees regarding claims pursuant to the Wage Earner Protection Program Act ("WEPP"), and responding to same; corresponding with M. Ferrari of TSSA regarding repairs completed by the Receiver pursuant to the TSSA investigation on December 6, 2018.
02/13/2019	Anne Baptiste	Prepare December bank reconciliation; prepare disbursement cheques; prepare T4's and T4 Summary.
02/13/2019	Jeff Berger	Attending to WEPP registration; review of payment advices from Parkland Fuel Corporation ("Parkland") and discussion with D. Weisz regarding same.
02/13/2019	Daniel Weisz	Exchange emails with B. Hughes re status of the marketing of the property; discussion with J. Berger re payments received from Parkland and review draft email re same.
02/14/2019	Jeff Berger	Receipt and review of draft Confidential Information Memorandum ("CIM") from CBRE; discussion with D. Shvartsman regarding same; email to A. Choi re removal of ATM from the convenience store.
02/14/2019	Daniel Weisz	Review, update and send lender update.
02/15/2019	Usama Emad	Contact Air Serv to request details regarding the air pump equipment on-site.
02/15/2019	Brenda Wong	Review T4s, make revisions, and finalize.
02/15/2019	Daniel Weisz	Discussion with M. Fleming re updated APS and considerations re Parkland; review updated CIM and provide comments to CBRE; review updated CIM for changes.
02/19/2019	Daniel Weisz	Review revised APS; discussion with J. Berger re excluded assets; email to M. Fleming re encumbrances to be removed from title; review email from M. Fleming re comments re updated APS; finalize document and send to CBRE; discussion with J. Berger re air inflator on site and review draft email re same and discussion with J. Berger on same; review CBRE marketing update; conference call with D. Shvartsman and J. Berger to discuss the form of APS; update same; discussion with M. Fleming.
02/19/2019	Jeff Berger	Corresponding with Air Serv regarding the tire inflation equipment on site; discussion with M. Fleming re same; corresponding with TD Bank to obtain details about the debtor's account; review and finalization of the template APS for the property; discussion with D. Weisz and D. Shvartsman regarding final adjustments to the APS.
02/20/2019	Jeff Berger	Update the Receiver's Second Report; draft the Receiver's report pursuant to Section 246(2) of the Bankruptcy and Insolvency Act ("Section 246(2) Report");

March 12, 2019
 Invoice 8
 Page 3

Date	Professional	Description
		update the Statement of Receipts and Disbursements through January 31, 2019.
02/21/2019	Anne Baptiste	Prepare disbursement cheques.
02/22/2019	Daniel Weisz	Review CBRE instructions to purchasers; discussion with M. Fleming re wiring instructions, reply to CBRE.
02/22/2019	Brenda Wong	Calculate and complete form for WSIB remittance due for October 2018.
02/25/2019	Donna Nishimura	Send out Section 246(2) Report to the Office of the Superintendent of Bankruptcy OSB and debtor.
02/25/2019	Jeff Berger	Review of Proof of Claim submitted by former employees; corresponding with CBRE regarding the marketing of the property; review of new construction lien filed on title to the property and discussion with M. Fleming regarding same.
02/26/2019	Daniel Weisz	Review of emails re new lien registered on title.
02/26/2019	Jeff Berger	Discussion with CBRE regarding questions from potential purchasers; drafting the Receiver's Second Report; corresponding with former employees of the debtor regarding T4's and other tax information pertaining to the 2018 year; corresponding with M. Fleming and D. Weisz regarding the lien registered on title to the property.
02/27/2019	Brenda Wong	Letter to WSIB to close account.
02/27/2019	Jeff Berger	Drafting the Receiver's Second Report; corresponding with Access Cash regarding the removal of the ATM on site at the convenience store.
02/28/2019	Anne Baptiste	Posting deposits; prepare January bank reconciliation; filing re banking; prepare disbursement cheques.
		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.

March 12, 2019
 Invoice 8
 Page 4

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	8.7	\$ 525	\$ 4,567.50
Brenda Wong, CIRP, LIT	Senior Manager	0.7	\$ 395	276.50
Jeffrey K. Berger, CPA, CA	Manager	36.0	\$ 295	10,620.00
Usama Emad, CPA	Senior Associate	0.2	\$ 195	39.00
Anne Baptiste/Donna Nishimura	Estate Administrator	4.4	\$ 110	484.00
Total hours and professional fees		50.0		\$ 15,987.00
HST @ 13%				2,078.31
Total payable				\$ 18,065.31

PAYMENT BY VISA / MC ACCEPTED

Card Number _____ Expiry Date _____
 Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA\$ Payments: For credit to the account of RSM Canada Limited, Account No. 90-21116, Canadian Imperial Bank of Commerce Branch
 No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

ONLINE/TELEPHONE BANKING available at major financial institutions under the account "RSM Canada Limited"

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.
 RSM CANADA LIMITED

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF DANIEL WEISZ SWORN BEFORE ME
THIS 4th DAY OF APRIL, 2019**



A Commissioner, etc.

~~Signed and sworn to before me by~~
Province of Ontario, for RSM Canada Ltd.
and RSM Canada Limited.
Expires January 6, 2021

**In the Matter of the Receivership of
2492167 Ontario Ltd.
Summary of Receiver's Fees
For the Period September 1, 2018 to February 28, 2019**

Invoice Date	Period	Hours	Fees	HST	Total	Average Hourly Rate
16-Oct-18	September 1, 2018 to September 30, 2018*	152.4	\$ 41,571.00	\$ 5,404.23	\$ 46,975.23	\$ 272.78
07-Nov-18	October 1, 2018 to October 31, 2018	171.1	58,448.00	7,598.24	66,046.24	\$ 341.60
20-Dec-18	November 1, 2018 to November 30, 2018	115.9	42,030.00	5,463.90	47,493.90	\$ 362.64
04-Jan-19	December 1, 2018 to December 31, 2018	29.9	12,234.50	1,590.49	13,824.99	\$ 409.18
06-Feb-19	January 1, 2019 to January 31, 2019	56.3	20,698.00	2,690.74	23,388.74	\$ 367.64
12-Mar-19	February 1, 2019 to February 28, 2019	50.0	15,987.00	2,078.31	18,065.31	\$ 319.74
Total		575.6	\$ 190,968.50	\$ 24,825.91	\$ 215,794.41	\$ 331.77

* includes complementary adjustment of \$7,500.00

APPENDIX CC

Court File No. CV-18-601116-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N :

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and -

2492167 ONTARIO LTD.

Respondent

AFFIDAVIT OF CATHERINE GARBIG
SWORN APRIL 4, 2019

I, Catherine Garbig, of the Town of Oakville, in the Regional Municipality of Halton, MAKE OATH AND SAY AS FOLLOWS:

1. I am a law clerk with the law firm of Fogler, Rubinoff LLP ("FR") and have knowledge of the matters hereinafter deposed to.
2. Attached hereto are redacted copies of the interim accounts by FR to RSM Canada Limited., in its capacity as Receiver of the Respondent (the "Receiver"), which accounts set out the amounts billed by FR with respect to this matter dated:
 - (a) August 27, 2018, rendered for the period of July 23, 2018 to August 24, 2018 (Exhibit "1");
 - (b) October 16, 2018, rendered for the period of August 3, 2018 to September 28, 2018, (Exhibit "2");
 - (c) October 29, 2019, rendered for the period October 1, 2018 to October 29, 2018, (Exhibit "3");

- (d) November 26, 2018, rendered for the period October 30, 2018 to November 23, 2018, (Exhibit "4");
- (e) December 27, 2018, rendered for the period November 22, 2018 to December 21, 2018, (Exhibit "5");
- (f) February 28, 2019, rendered for the period November 26, 2018 to February 26, 2019, (Exhibit "6");
- (g) March 29, 2019, rendered for the period February 23, 2019 to March 28, 2019, (Exhibit "7").

3. The total of the interim fees, disbursements and applicable taxes from August 27, 2018 to March 29, 2019 is the sum of \$323,461.73. The said accounts by FR to the Receiver are summarized as follows:

Date	Fees	Disbursements	HST	Total
August 27, 2018	\$ 46,296.80	\$ 83.67	\$ 6,029.46	\$ 52,409.93
October 16, 2018	\$ 46,439.20	\$ 713.87	\$ 6,109.10	\$ 53,262.17
October 29, 2018	\$ 45,714.35	\$ 69.00	\$ 5,951.84	\$ 51,735.19
November 26, 2018	\$ 36,869.00	\$ 373.15	\$ 4,839.48	\$ 42,081.63
December 27, 2018	\$ 35,785.50	\$ 254.85	\$ 4,676.88	\$ 40,717.23
February 28, 2018	\$ 56,429.40	\$ 169.00	\$ 7,357.79	\$ 63,956.19
March 29, 2019	\$ 17,014.20	\$ 64.90	\$ 2,220.29	\$ 19,299.39
TOTAL	\$284,548.45	\$1,728.44	\$ 37,184.84	\$ 323,461.73

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

Timekeeper	Hourly Rate	Year of Call
Maurice V. Fleming	\$660.00	1984
Ken W. Movat	\$675.00	1987
Joshua Freeman	\$395.00	2008
Andrea M. Marsland	\$500.00	2002
Laurence D. Adelberg	\$565.00	1987
Samantha M. Green	\$355.00	2013

5. The hourly billing rates applied are FR's normal hourly rates for this client.

SWORN before me at the City of)
 Toronto, in the Province of Ontario, this)
 4th day of April, 2019)
)

A Commissioner, etc.

Catherine Garbig

This is Exhibit "1" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019



Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21811863

August 27, 2018

RSM Canada Limited
 11 King Street West, Suite 700
 Box 27
 Toronto ON
 M5H 4C7
 Attention: Daniel Weisz
 Senior Vice-President

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

fogler
 rubinoff

Our File: R2683 / 183719
 2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to August 27, 2018, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Jul-23-18					

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES:	\$46,296.80
--------------------	--------------------

OUR FEE HEREIN	\$46,296.80
-----------------------	--------------------

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
SMG	0.76
JRF	11.40
MVF	48.90
AMM	0.50
BSB	0.30
LDA	4.75
PWH	23.15

Disbursements

Taxable	Prints	\$51.00
Taxable	Telephone	\$32.67

Total Disbursements	\$83.67
Total Fees and Disbursements	\$46,380.47
HST @ 13% on Fees and Taxable Disbursements	\$6,029.46
Total Fees, Disbursements and Taxes this Bill	\$52,409.93



Balance Due: **\$52,409.93**

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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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

Maurice V. Fleming

For your convenience, we have the following payment options:

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

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

This is Exhibit "2" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019



Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21814634

October 16, 2018

RSM Canada Limited
 11 King Street West, Suite 700
 Box 27
 Toronto ON
 M5H 4C7
 Attention: Daniel Weisz
 Senior Vice-President

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

fogler
 rubinoff

Our File: R2683 / 183719
 2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to
 September 30, 2018, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Aug-03-18					

fogler
rubinoff

Date

Lawyer

Description

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

Date

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES:	\$46,439.20
--------------------	--------------------

OUR FEE HEREIN	\$46,439.20
-----------------------	--------------------

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
JRF	14.00
MVF	57.00
CG	5.56
VSF	1.20

Disbursements

Taxable	Binding Supplies	\$107.25
Exempt	Filing Fee	\$160.00
Taxable	Prints	\$402.30
Taxable	Telephone - conference calls	\$4.32
Taxable	The Printing House	\$40.00

Total Disbursements	\$713.87
---------------------	----------

Total Fees and Disbursements	\$47,153.07
------------------------------	-------------

HST @ 13% on Fees and Taxable Disbursements	\$6,109.10
---	------------

Total Fees, Disbursements and Taxes this Bill	\$53,262.17
--	--------------------

Balance Due:	\$53,262.17
---------------------	--------------------



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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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


Maurice V. Fleming

For your convenience, we have the following payment options:

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

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

This is Exhibit "3" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019



Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21815738

October 29, 2018

RSM Canada Limited
 11 King Street West, Suite 700
 Box 27
 Toronto ON
 M5H 4C7
 Attention: Daniel Weisz
 Senior Vice-President

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

fogler
 rubinoff

Our File: R2683 / 183719
 2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to October 29, 2018, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Oct-01-18					

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>
-------------	---------------	--------------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES: \$45,714.35

OUR FEE HEREIN \$45,714.35

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
JRF	0.93
MVF	64.70
AME	1.50
MSW	1.50
MAS	3.50

Disbursements

Taxable	Prints	\$69.00	
	Total Disbursements		\$69.00
	Total Fees and Disbursements		\$45,783.35
	HST @ 13% on Fees and Taxable Disbursements		\$5,951.84
	Total Fees, Disbursements and Taxes this Bill		\$51,735.19
	Balance Due:		\$51,735.19

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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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

Maurice V. Fleming



For your convenience, we have the following payment options:

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

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

This is Exhibit "4" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019

A handwritten signature in blue ink, consisting of a stylized, cursive 'S' shape with a horizontal line extending from the top left.

Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21816954

November 26, 2018

RSM Canada Limited
 11 King Street West, Suite 700
 Box 27
 Toronto ON
 M5H 4C7
 Attention: Daniel Weisz
 Senior Vice-President

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

fogler
 rubinoff

Our File: R2683 / 183719
 2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to
 November 26, 2018, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Oct-30-18					

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

1

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES:				\$36,869.00
--------------------	--	--	--	--------------------

OUR FEE HEREIN				\$36,869.00
-----------------------	--	--	--	--------------------

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
DR	0.30
JRF	0.10
MVF	55.70

Disbursements

Taxable	Bank Act Search	\$14.78
---------	-----------------	---------



Taxable	Bankruptcy Search	\$8.00
Taxable	OnCorp Fee for Electronic Filing	\$78.75
Taxable	PPSA Search	\$8.00
Taxable	Prints	\$22.20
Taxable	Westlaw On-line Computer Searches	\$226.00
Exempt	Writ of Execution	\$15.42
Total Disbursements		\$373.15
Total Fees and Disbursements		\$37,242.15
HST @ 13% on Fees and Taxable Disbursements		\$4,839.48
Total Fees, Disbursements and Taxes this Bill		\$42,081.63
Balance Due:		\$42,081.63

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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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


Maurice V. Fleming

For your convenience, we have the following payment options:

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

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

This is Exhibit "5" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019



Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21819155

December 27, 2018

RSM Canada Limited
 11 King Street West, Suite 700
 Box 27
 Toronto ON
 M5H 4C7
 Attention: Daniel Weisz
 Senior Vice-President

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

fogler
 rubinoff

Our File: R2683 / 183719
 2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to
 December 27, 2018, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Nov-22-18					

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Nov-28-18	E				
Nov-30-18					
Dec-03-18					
Dec-04-18					
Dec-05-18					

fogler
rubinoff

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES:	\$35,785.50
--------------------	--------------------

OUR FEE HEREIN	\$35,785.50
-----------------------	--------------------

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
JRF	0.70
MVF	53.40
PWH	1.00

Disbursements

Taxable	Copies of Instruments	\$6.00	
Taxable	Prints	\$107.40	
Exempt	Registration	\$64.40	
Taxable	Scanning	\$2.00	
Taxable	Search of Title	\$64.30	
Taxable	Teranet remote registration charge	\$10.75	
	Total Disbursements		\$254.85
	Total Fees and Disbursements		\$36,040.35
	HST @ 13% on Fees and Taxable Disbursements		\$4,676.88
	Total Fees, Disbursements and Taxes this Bill		\$40,717.23
	Balance Due:		\$40,717.23



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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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


Maurice V. Fleming

For your convenience, we have the following payment options:

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

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

This is Exhibit "6" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019



Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21902844

February 28, 2019

RSM Canada Limited
11 King Street West, Suite 700
Box 27
Toronto ON
M5H 4C7
Attention: Daniel Weisz
Senior Vice-President

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

fogler
rubinoff

Our File: R2683 / 183719
2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to
February 28, 2019, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Nov-26-18					

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

E

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES: \$56,429.40

OUR FEE HEREIN \$56,429.40

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
MVF	83.20
KWM	0.54

Disbursements

Taxable	Prints	\$106.80
Taxable	Search of Title	\$62.20

Total Disbursements	\$169.00
Total Fees and Disbursements	\$56,598.40
HST @ 13% on Fees and Taxable Disbursements	\$7,357.79
Total Fees, Disbursements and Taxes this Bill	\$63,956.19

Balance Due: \$63,956.19

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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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

Maurice V. Fleming



For your convenience, we have the following payment options:

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

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

This is Exhibit "7" referred to in the Affidavit of Catherine Garbig
sworn April 4, 2019



Commissioner for Taking Affidavits (or as may be)

Invoice Num: 21904877

March 29, 2019

RSM Canada Limited
11 King Street West, Suite 700
Box 27
Toronto ON
M5H 4C7
Attention: Daniel Weisz
Senior Vice-President

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

fogler
rubinoff

Our File: R2683 / 183719
2492167 Ontario Limited - Receivership - 5818 Sheppard Avenue East, Toronto

FOR PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter to March 29, 2019, including:

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
Feb-23-19					

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

fogler
rubinoff

<u>Date</u>	<u>Lawyer</u>	<u>Description</u>	<u>Hrs</u>	<u>Rate</u>	<u>Fees</u>
-------------	---------------	--------------------	------------	-------------	-------------

TOTAL FEES:	\$17,014.20
--------------------	--------------------

OUR FEE HEREIN	\$17,014.20
-----------------------	--------------------

Summary of Fees

<u>Initials</u>	<u>Total Time</u>
MVF	23.20
KWM	2.22

Disbursements

Taxable	Prints	\$39.90	
Taxable	Wired Funds Charge	\$25.00	
	Total Disbursements		\$64.90
	Total Fees and Disbursements		\$17,079.10
	HST @ 13% on Fees and Taxable Disbursements		\$2,220.29
	Total Fees, Disbursements and Taxes this Bill		\$19,299.39
	Balance Due:		\$19,299.39



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

THIS ACCOUNT BEARS INTEREST, COMMENCING ONE MONTH AFTER DELIVERY, AT THE RATE OF 3.30% PER ANNUM AS AUTHORIZED BY THE SOLICITORS' ACT. ANY DISBURSEMENTS NOT POSTED TO YOUR ACCOUNT ON THE DATE OF THIS STATEMENT WILL BE BILLED LATER.

E. & O.E.

GST/HST No : R119420859

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

Maurice V. Fleming

For your convenience, we have the following payment options:

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD

FOGLER, RUBINOFF LLP

Lawyers

77 King Street West

Suite 3000, P.O. Box 95

TD Centre North Tower

Toronto, ON M5K 1G8

Maurice V. Fleming (LSO# 200450)

mfleming@foglers.com

Tel: 416.941.8812

Fax: 416.941.8852

Robert B. Macdonald (LSO# 60512B)

Tel: 647.729.0754

Fax: 416.941.8852

rmacdonald@foglers.com

Lawyers for RSM Canada Limited